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THE

COUNCIL OF STATE DEBATES

OFFICIAL REPORT OF THE NINETEENTH SESSION OF THE FOURTH COUNCIL OF STATE

VOLUME I—1946

COUNCIL OF STATE

Monday, 18th February, 1946

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 Nineteenth Session of the Fourth Council of State, pursuant to section 63D(2) of the Government of India Act, as set out in the Ninth Schedule to the Government of India Act, 1935. The Honourable the President (the Honourable Sir Maneckji Byramji Dadabhoy, K.C.S.I., K.C.I.E., LL.D., Barrister-at-Law), was in the Chair.

MEMBERS SWORN

The Hon. Dr. Narayan Bhaskar Khare (Commonwealth Relations Member).

The Hon. Sir Arthur Griffin (Chief Commissioner of Railways).

The Hon. Rai Bahadur Satyendra Kumar Das (East Bengal: Non-Muhammadan).

The Hon. Mr. Surput Sing (West Bengal: Non-Muhammadan).

Flight-Lieutenant the Hon. Rup Chand (Punjab: Non-Muhammadan).

The Hon. Mr. Alfred Ernest Porter (Home Secretary).

The Hon. Mr. William Walter Murray Yeats (Industries and Supplies Secretary.)

Lieutenant-General the Hon. Sir Thomas Jacomb Hutton (Planning and Development Secretary).

QUESTIONS AND ANSWERS

RECRUITMENT OF INDIAN PRISONERS OF WAR BY AXIS POWERS

1. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Will Government make a statement relating to the attempts made by the Germans, the Italians and the Japanese to recruit a considerable number of Indian prisoners of war and other Indian civilians to fight on their side, the failure for the most part of this Axis scheme, and the surrender in thousands of such Indians at the first available opportunity?

(*b*) How many such Indians are suspected to have been so seduced or coerced by the Germans, the Italians and the Japanese?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (*a*) and (*b*) I lay a statement on the table.

Statement

(*a*) (1). In 1941, the Italians commenced their attempts to suborn Indian troops captured in North Africa. They used a mixture of threat and inducement, mainly offers of better living coditions. The few who responded were taken to a camp outside Rome, where, in the beginning of 1942, the Italians formed a unit known as the "Centro Militare, India". This unit's maximum strength was 400. It was given military training, but was ineffective and mutinied as soon as the Italians proposed to send the Unit to fight in Africa. It was therefore disbanded in November, 1942; some of its men reverted to prisoner-of-war status; some were sent to Germany to join the Indian Legion. There was a small number of Indian civilians in the Centro Militare, India"

(a) (2). The German plan to subvert and use Indian Prisoners of War started its operation in early 1941. The Germans used much the same methods as the Italians. Promises made were kept and threats translated into action. Those who rejected the German offer were ill-treated and deprived of such amenities as Red Cross parcels, while those who responded were given a comfortable life, the Red Cross parcels that should have gone to their companions as well as their own, and free association with German women. The great majority remained loyal to the oaths they had taken. Those who did not were formed into what was at first called the "Free Indian Legion". This unit was stationed in Germany while under training. It wore German Uniform. All its officers and N.C.Os. were Germans with the exception of a few Indians who had been among the first to join and were given the rank of Lieutenant the highest an Indian ever achieved. Towards the end a few Indians were made junior N.C.Os. Early in 1943 it was incorporated into the Wehrmacht as the 950 Regiment of the Germany Army proper.

The unit received normal military training in Germany, but, as in the case of the "Centro Militare, India", orders to send it into the line in the spring of 1943 caused trouble. These orders were for two battalions to take over a sector of the coastal defences in the Low Countries, and they resulted in a mutiny which involved a number of the men affected by the proposed move. The mutiny was suppressed, however, and the move was carried out. After several months in the Low Countries the whole 950 Regiment was transferred to the West Coast of France in the neighbourhood of Bordeaux. It stayed there until the general retreat of the Germans from France in the latter part of 1944, when it withdrew with the rest of the German forces. During this retreat across France it incurred the hatred of the French Forces of the Interior on account of the rape and pillage in which men of the Regiment indulged against the civil population. There was a number of engagements with the French Forces of the Interior, who were harassing the German retreat. It is considered likely that fear of what the consequences of their own uncivilised behaviour would be, if they fell into French hands, played its part in deterring men of the Regiment from making any attempt to desert to Allied forces during the retreat.

When the Germans had withdrawn the 950 Regiment across the Rhine it was theoretically absorbed into the Waffen S.S. There was no time however to put these orders into effect. The Regiment took no further part in the fighting, being completely demoralized by circumstances, and at the time of the final collapse of Germany it was idle in a Camp many miles behind the front line, and in a very poor condition generally.

The strength of the 950 Regiment was 2,500—3,000. There were more than 1,6000 Indian Prisoners of war in the Western theatre.

(a) (3). The Japanese set to work without delay to subvert the loyalty of the Indian troops captured on the surrender of Singapore. They began their attempts, indeed, while the Malayan campaign was still in progress, materially aided by the early defection of two Indian commissioned officers and by general demoralization attending temporary defeat. One of the two officers, Capt. Mohan Singh of 1/14 Punjab Regiment, was chosen by the Japanese as Commander of the Force they called the "Indian National Army". The birth of this Body was announced by the Japanese at a parade of all Indian P.W. in Singapore two days after the surrender and immediate action was taken by Mohan Singh to obtain men for this force. After hesitation, some of the Indian officer prisoners of war joined him, greatly influenced by considerations of personal comfort and ambition. In some cases officers and men were actuated by a desire to escape. The conduct of their officers had effect on a number of the troops, while communal feelings also played their part.

Volunteers, however, were not forthcoming in the numbers required and in order to increase his following Mohan Singh resorted to propaganda and intimidation. These methods swelled the numbers during 1942. In December, 1942, however, Mohan Singh was displaced owing to differences of opinion with the Council of Action of the India Independence League under the Presidency of Mr. Rash Behari Bose, and the organisation was disbanded.

After a few months of consideration the Japanese decided to form another army. On the advice of some of their leading Indian collaborators this force was to be recruited on a more truly voluntary basis, though the element of intimidation was not lacking, since it was made plain that those who did not volunteer would be shipped to the South-West Pacific for labour in conditions ordering on slavery. Despite this threat, a large proportion of those who had ostensibly "Volunteered" for the first I.N.A. refused to rejoin, and many were in fact despatched as labour to various parts of South East Asia. These fresh efforts to re-form resulted in some 15,000—17,000 Indian P.W., out of approximately 57,000, going over to the enemy during 1943. Training on normal military lines was again started, with Japanese officers supervising in a "liaison" capacity. At the same time the Indian civilian community in Japanese-occupied territories was tapped for further recruits. Both propaganda and the impact of economic difficulties were utilized in this recruiting drive. The Japanese-inspired "India Independence League", membership of which alone afforded comparative security of livelihood and immunity from the attentions of the Japanese Police, was the means by which this leverage was applied. Subhas Chandra Bose arrived in Singapore in July 1943 and took over control of the entire Japanese-inspired movement in territories under enemy control. New impetus resulted and recruitment of something over 20,000 Indian civilians had taken place by the beginning of 1945.

The forces thus recruited were first actively employed in the spring of 1944, when elements of one "division" were disposed on the Burma Front, in Arakan and on the Chindwin. The Japanese mistrust of their quality and reliability was demonstrated by their refusal to allow them to operate in independent units, let alone to make them responsible for a sector of their own. Small parties were sometimes used during this operation as a harassing screen in advance of Japanese troops. Their duty was to attempt to infiltrate behind our forward positions and create confusion.

A small number did so, of whom most were captured or surrendered. On a few occasion mixed I.N.A. and Japanese parties were engaged by British and Indian troops. A little later with the Japanese offensive across the chindwin,the bulk of this same "division" came to notice in much the same role. Throughout the Manipur campaign, these forces only operated in an independent role once. This was at Palel, where they made an abortive (and to them disastrous,) attempt to capture a landing strip.

When the final withdrawal of the Japanese followed their unsuccessful offensive in the summer of 1944 they took their Indian Collaborators with them. Several hundreds, however, deserted and were taken over by our troops. The Japanese withdrew the remainder of this "division" to Pegu in bad shape, for recuperation and re-organisation. During the winter of 1944-45 little contact was made with our troops in the field, although a small number of miscellaneous units was employed by the enemy in forward areas. Early in 1945 when the Allied drive down Burma was well in its stride, and the Japanese retreat began to take on the appearance of a general rout, desertions started again, on a fairly large scale and continued until the capture of Rangoon in April, where between 7,000 and 8,000 troops of the body called the "Indian National Army", including a large number of its officers, surrendered to the Allies on the orders of Subhas Bose. With the final surrender of the Japanese in August 1945, the remainder in South East Asia came into Allied hands. The majority of the military personnel have since been returned to India while the civilians have dispersed to their homes, or have been held temporarily on security grounds.

Like the German and Italian attempts, Japanese efforts to make an effective fighting force out of Indian prisoners of war and the Indian civilian community in South East Asia were in general a failure. They only once operated independently, and were never successful against Regular British or Indian troops.

(*b*) It is not possible to give any reliable figures of the number of Indians who were seduced or who were coerced by the enemy. The approximate total strengths of the Indian forces employed in these Axis schemes are :—

EUROPE	.	"Centro Militare, India" . . .	400, of whom all except 7 were P.W. (A percentage were later absorbed into the "Indian Legion").
		"Indian Legion" 2,500-3,000 (950 Regiment)	Almost no civilians.
ASIA	. .	"Indian National Army" . . .	43,000 (of whom some 20,000 were P.W.)

RESETTLEMENT, ETC., OF DEMOBILIZED MEMBERS OF THE DEFENCE SERVICES AND DISCHARGED WAR WORKERS

2. THE HON. RAJA YUVERAJ DUTTA SINGH : What is the plan evolved by Government for re-settlement and re-employment in civil life of demobilized members of the Defence Services and discharged war workers ?

THE HON. MR. H. C. PRIOR : Full particulars are available in the " Progress Report of the Directorate General of Resettlement and Employment for the period 18th July to 31st December 1945 ", copies of which are available in the Library of the House.

SMUGGLING OF CLOTH INTO NEPAL

3. THE HON. RAJA YUVERAJ DUTTA SINGH : Is it a fact that cloth worth about two lakhs of rupees was smuggled from Raxaul in Bihar to Nepal, on or about the 28th April, last ; and about 10 bales of cloth were removed to Nepal territory from Bairagnia (Bihar) ? Will Government state the circumstances and details of this extensive smuggling, and who were responsible for it, together with the steps taken to prevent a recurrence of it ?

THE HON. MR. N. R. PILLAI : Government have no information about the alleged cases of smuggling of cloth from Bihar to Nepal, but steps have been taken to eliminate any leakage that may have existed in the past.

THE HON. MR. G. S. MOTILAL : What steps have been taken ?

THE HON. MR. N. R. PILLAI : A detailed licensing scheme has now been applied to exports of cloth from India to Nepal. The broad features of the scheme are as follows : In the first place, the issue of licences is now confined to a limited number of reputable firms ; secondly only such cloth as is marked " For export only " is allowed to be exported, and thirdly the railway authorities have been instructed not to book consignments of cloth for Nepal frontier stations unless such cloth is covered by an export licence and is marked " For export only ".

THE HON. MR. M. THIRUMALA ROW: Have Government been able to locate these smugglers from across the border?

THE HON. MR. N. R. PILLAI: Well, in the process of selecting suitable exporters the undesirable ones have been eliminated.

POLISH REFUGEES

4. THE HON. RAJA YUVERAJ DUTTA SINGH: Will Government state how many Polish refugees were kept in India and how many of them have been sent back to Poland on the re-construction of their country?

THE HON. DR. N. B. KHARE: The number of Polish Refugees in India is about 5,000. None of them has so far gone back to Poland. The question of their repatriation to Poland or to other countries where they wish to settle down is at present under the consideration of His Majesty's Government.

THE HON. MR. M. THIRUMALA ROW: Can the Honourable Member give us the amount of money spent by Government on these Polish refugees in India?

THE HON. DR. N. B. KHARE: I want notice of that question, Sir.

BRITISH EXPORT TRADE RESEARCH ORGANISATION

5. THE HON. RAJA YUVERAJ DUTTA SINGH: Will Government state whether the recently formed British Export Trade Research Organisation (BETRO) for market and consumer research, and trade intelligence service in all overseas markets has established any branch in India; if so, where? What is the nature and extent of its activities in this country?

THE HON. MR. N. R. PILLAI: The British Export Trade Organisation has not established any Branch in India.

The parts of the question do not arise.

UNITED NATIONS CONFERENCE AT SAN FRANCISCO

6. THE HON. RAJA YUVERAJ DUTTA SINGH: Will Government state whom Sir V. T. Krishnamachari was supposed to represent at the United Nations Conference at San Francisco?

THE HON. SIR MAHOMED USMAN: Sir V. T. Krishnamachari represented India at the United Nations Conference.

ALLIED WAR CRIMES COMMISSION

7. THE HON. RAJA YUVERAJ DUTTA SINGH: Will Government state whether India is represented on the Allied War Crimes Commission; if so, by whom? If not, why have Government failed to press the claims of India in this respect?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I would invite the Hon. Member's attention to the reply given on the 17th November 1944 to part (*a*) and first part of (*c*) of his question No. 108. The second part of the question does not arise.

THE HON. MR. M. THIRUMALA ROW: I understand His Excellency the Commander-in-Chief referring to an answer given in November 1944 with regard to this particular question. I would like to know whether there was a War Crimes Commission established in November 1944, even before the war was won.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I would like to have notice of this question.

USE OF TRANSPORT PLANES FROM INDIA TO REMOVE TRACTORS FROM EGYPT

8. THE HON. RAJA YUVERAJ DUTTA SINGH: Are Government aware that the transport planes from India were concentrated in Cairo, at the instance of the U.N.R.R.A. to fly a large number of tractors from Egypt to Yugoslavia, for the development of agriculture in the latter country? If so, what is the advantage accruing to India from this operation?

THE HON. MR. N. R. PILLAI: The answer to the first part is in the negative. The second part does not arise.

DECIMAL SYSTEM OF COINAGE

9. THE HON. RAJA YUVERAJ DUTTA SINGH: Will Government make a statement explaining their post-war proposal for introducing a change in the present coinage system in India on the basis of decimal system as adopted in many other countries, indicating the disadvantages of the present system, and the anticipated advantage of the proposed change? In what countries does the decimal system of coinage prevail?

THE HON. SIR CYRIL JONES: A copy of Finance Department's letter addressed to Provincial Governments which gives the information desired is laid on the table.

A list of countries where the decimal system of coinage prevails is laid on the table.

GOVERNMENT OF INIDA

FINANCE DEPARTMENT

No. F. 2 (76)-F/44. *New Delhi, the 24th April 1945*

FROM

K. G. AMBEGAOKAR, ESQUIRE, I.C.S.,
Joint Secretary to the Government of India.

To

The Financial Secretaries of all Provincial Governments and all Chief Commissioners of Provinces.

SUBJECT.—*Decimalization of the Coinage*

SIR,

I am directed to say that it has been suggested to the Government of India that the opportunity afforded by the reminting of the coinage which may be rendered necessary after the war should be taken advantage of to decimalize the coinage system of the country. The decimal system of coinage has gradually displaced all other forms in most of the countries in the world, India, Great Britain and certain Empire countries being the chief exceptions; and it is suggested that its advantages, such as simplification of accounting and facility of calculation, are such as to render desirable its adoption in India.

2. The proposal is that, like the Ceylon rupee, the Indian rupee should be divided not into 192 pies but into 100 cents. The present rupee, half-rupee and quarter-rupee coins would remain but the lower denominations would be replaced by coins of the value of 10, 5, 2 and 1 cents with possibly a $\frac{1}{2}$ cent coin. While the present series of coins of low denomination were being withdrawn and during the period of transition the two sets of coin would circulate side by side, prices being expressed either in one or the other or in both.

3. As the process of change must necessarily be difficult the Government of India do not intend to take any step in this direction unless they are confident of public support and I am to request you to favour this Government with the views of your Government on the proposal set forth in greater detail in the accompanying memorandum after consulting public opinion in your Province.

I have the honour to be,
SIR,
Your most obedient servant,
K. G. AMBEGAOKAR,
Joint Secretary to the Govt. of India.

MEMORANDUM EXPLANATORY OF THE PROPOSAL TO INTRODUCE A DECIMAL SYSTEM OF COINAGE IN INDIA

1. Opportunity for changing the existing system

The new series of the two anna, one-anna, half anna and pice pieces at present circulating in the country were introduced in 1942 as a war-time measure in order to cope with the greatly increased demand for small coin, the short supply of nickel and tin and the problem of hoarding. The design of the pice with the central hole has, however, not been a success and the nickel brass

alloy used for minting the other coins referred to has proved to be unpopular. Not only does the use of this alloy involve a disproportionate waste of metal in the process of manufacture but the coins minted therefrom tarnish badly in circulation; moreover, due to the universal domestic use of brass throughout India, this alloy is unrivalled for the ease with which it can be used for counterfeiting. The Government of India have, therefore, decided that as soon as conditions permit, the nickel-brass alloy should be replaced by the pre-war cupro-nickel alloy and a pice of new design should be issued. When, after the end of the war, sufficient supplies of nickel become available, a huge recoinage programme will consequently have necessarily to be undertaken and a unique opportunity will then be presented to undertake any other reform of the subsidiary coinage that might be considered desirable in the public interest.

2. Proposal for decimalization

It has been suggested to Government that advantage should be taken of this opportunity to introduce a decimal system of coinage, under which the Indian rupee would be divided not into 192 pies but into 100 cents as follows :

1 Rupee corresponding to the existing Rupee.

50 Cents corresponding to the existing ½ Rupee.

25 Cents corresponding to the existing ¼ Rupee.

10 Cents, 5, 2 — cupro-nickel ("shaped" coins)

1 — Bronze coins

(possibly)

— to replace the existing coins below the value ¼ Rupee.

This division has been suggested on the lines of the existing Ceylon coinage, in that the rupee would remain unaltered and the half rupee and the quarter rupee would retain their present shape, size, weight and metal content, but would be issued as 50 cent and 25 cent coins. The existing 2-anna, 1 anna, half anna, and pice pieces would, however, have no counterpart in the new system and their recoinage would not be undertaken.

3. Advantages of the proposed system

The present coinage system whereunder the rupee is divided into 16 annas and each anna is divided into 12 pies is by no means ideal for purposes of calculation and accounting. The basis for the suggestion now made is that modern trade and commerce demand quick and simple methods of computation and that in this respect there is nothing to compete with the decimal system, as evidenced by the fact that it has gradually displaced all other forms in most countries of the world (India, Great Britian and certain Empire countries being the most important exceptions). To give a few examples, Ceylon, China, Iraq, Palestine, Malaya, the Netherlands East Indies and Thailand all now have a decimal coinage and it is arguable that India too should fall into line with the modern practice that has found such general favour.

4. Difficulties in the way of the introduction of decimal coinage

(*a*) It is, of course, realised that the introduction of a new system of coinage in India is likely to have adverse reactions in the initial stages. First and foremost, the existing form carries with it the sanctity of time and tradition and the change proposed might well be opposed by certain sections of the public on grounds of sentiment. It will be apparent, however, that it is not proposed to interfere with the rupee itself, that the ½ and ¼ rupee coins will remain as they are, with only a new nomenclature, and that the basis of the coinage system will therefore remain intact.

(*b*) There will be a period of some years during which both the present and new types of small coins below a quarter rupee in value will be in circulation simultaneously. This is inevitable due to the very large number of such coins that must be minted before the present series could be declared as uncurrent. The table below gives, in respect of the denominations below 4 annas in value, the proposed coinage, the existing coinage and the value in the proposed coinage of the existing coinage.

Existing coinage	Proposed coinage	Value of existing coinage in proposed coinage
Annas 2	10 Cents	12·5 Cents
Annas 1	5 Cents	6·25 Cents
1 Pice	2 Cents	1·5625 Cents
1 Pie	1 Cent	
	½ Cent	·5208 Cents

For such time as the two series circulate side by side it is proposed that printed slips should freely be distributed setting forth the relation between the two varieties.

(c) The adoption of such a system would, of course, have repercussions of the widest character since all rates and prices quoted on the basis of the present system would have to be adapted to the changed conditions, causing considerable initial inconvenience to the public and additional work all round in the matter of fixation of new rates and fresh issues of postage stamps, railway ticket, etc. The adaptation can, however, be effected simultaneously and *pari passu* with the process of introducing the new coinage, and the probable confusion in the transition period would to some extent be mitigated by a wide distribution of the slips of paper mentioned above setting forth the arithmetical relation between the two types of coinage.

5. Conclusion

The initial difficulties involved, however, are inherent in any radical change in the coinage and must be faced if India desires to have the advantages of simplified and rational system of coinage. That it is possible to overcome the difficulties inherent in a change over from one system of coinage to another even in countries where the level education is low and population generally backward is evidenced from the dates that Russia (1839 and 1897) and Japan (1871) went over to the new system, no less than by the fact that most other countries have adopted the modern form. A similar opportunity for modernisation of the coinage of India is not likely to recur and there can be no better time to effect this alteration than in the early post-war period. But the Government of India would not desire to embark on a new scheme of this nature in anticipation of public approval and support, and therefore invite sections of the public to express themselves on the proposal. The necessity for deciding the issue now is, however, urgent since the Mints must be given adequate time to make all preparations for implementing the decision as soon as possible after the end of the war.

Decimal system in coinage is current in the following countries.

British Empire.—Br. Guiana, Br. Honduras, Br. North Borneo, Canada, Ceylon, Federated Malay States, Gibralter, Hongkong, Iraq, Kenya Colony, Mauritius, New foundland, Palestine and Transjordan, Seycholles, Strait Settlements, Sudan, Tanganyka Territory, Uganda.

Foreign Countries.—Abyssinia, Afghanistan, Albania, Algeria, Angola, Argentine, Austria-Azores, Belgium, Belgian Congo, Brazil, Bohemia, Bolivia, Bulgaria, Canary Islands, Chile, China, Columbia, Costa Rica, Cuba, Danzing, Denmark, Dominican Republic, Dutch East Indies, Dutch Guiana, Eritrea, Ecuador, Egypt, Estonia, Finland, Formosa, France, Germany, Greece, Guatemala, Haite, Holland, Honduras Republic, Hungary, Iceland, Indochina, Iran, Italy, Japan, Java, Korea, Latvia, Liberia, Lienchtenstein, Lithuania, Luxemburg, Lybia, Madagascar, Madeira, Manchukuo, Memel, Mexico, Manocao, Montenegro, Moravia, Morocco, Mozambique, Nicaragua, Norway, Panama, Paraguay, Peru, Philippine Islands, Poland, Portugal, Portuguese E. Africa, Rhodes, Roumania, Russia, Salvador, Siam, Spain, Spanish Guinea, Sweden Switzerland, Syria & Lebanon, Tunisia, U.S.A., Uruguay, Vatican, Venezuela, Virgin Islands, West Africa & Sahara, Yugoslavia, Zara.

Inconvenience caused to Mrs. Indira Gandhi and her son by Military Officers

10. The Hon. Raja YUVERAJ DUTTA SINGH: (*a*) Will Government state the facts and circumstances relating to the incident which took place at the Delhi Railway Station on or about the 26th April last when two military officers occupied a ladies' compartment, causing inconvenience to Mrs. Indira Gandhi and her one year old son?

(*b*) Was any enquiry made; if so, by whom? What action has been taken against the military officers?

The Hon. Sir ARTHUR GRIFFIN: (*a*) No such incident has been reported officially either to the Railway or to the Military authorities. From inquiries made I gather that one of the ticket collectors, who was on duty remembers the incident. He states that Mrs. Indira Gandhi was booked in a Second Class ladies' compartment but decided to change over to the First Class at the last moment. The Assistant Station Master on duty at the time, states that when the train was about to move he was informed that two military officers along with a lady were occupying a First Class ladies' compartment. When he asked them to vacate, the military Officers readily detrained and told him they had no intention of travelling, having come merely to see the lady passenger off. Mrs. Indira Gandhi was accommodated in this ladies' compartment, but fearing that the military officers might board the train after it had started, asked for an assurance that this would not happen. She was given this assurance and was told that if they did attempt to get into the compartment, she could pull the communication cord. The train steamed out of Delhi without any further incident.

(*b*) In view of what I have stated, no inquiry was called for, and the second part of the question does not arise.

RECRUITMENT FROM THE CLERICAL STAFF OF THE LONDON CENSORSHIP OFFICE

11. THE HON. RAJA YUVERAJ DUTTA SINGH: Is it a fact that Government are recruiting or have recruited from the clerical staff of the London Censorship Office about 50 hands for employment in India on a salary of about Rs. 750 per month? If so, was no Indian available for the jobs?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: No, Sir. The second part of the question does not arise.

STARTING OF FACTORIES BY BRITISH FIRMS

12. THE HON. RAJA YUVERAJ DUTTA SINGH: Are Government aware of the decision of certain leading British firms in England to start factories in India, soon after the war? What steps have been taken by Government to protect Indian industries from being adversely affected by the opening of such foreign firms in this country?

LT.-GENERAL THE HON. SIR THOMAS HUTTON: Yes, sir, but the number of applications for registration of capital goods received from British firms wishing to start factories in India is extremely small. As regards the second part of the question all I can say at present is that Government is keeping a watch over developments.

THE HON. MR. G. S. MOTILAL: May I know what is that small number?

LT.-GENERAL THE HON. SIR THOMAS HUTTON: I cannot give figures off-hand. I would require notice of that question.

BRITISH OVERSEAS AIRWAYS CORPORATION

13. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Will Government make a statement giving the details so far as available, of the plan of the British Overseas Airways Corporation to run services after the war to certain countries including India?

(*b*) Have Government been consulted in the matter? What are the administrative and financial control implications, if any, of the proposal?

(*c*) Is there any stipulation in the proposed arrangement for the training and employment of certain proportion of Indian personnel in the air service? If not, why not?

(*d*) Do Government propose not to allow any foreign air service to operate in India, which will in any way fetter the establishment and development of indigenous air services in this country, or will perpetuate a monopolistic trend in civil aviation?

THE HON. SIR MAHOMED USMAN: (*a*) Government have no detailed information on the plans of the British Overseas Airways Corporation for the operation of specific air services in the period after the war. They however include air services to India and air services through India to Australia and other countries.

(*b*) There have been discussions between the Commonwealth countries on the general principles to be followed in the operation of air services of mutual interest on Commonwealth air routes. These are summarised in sections I and II of the Government of India's plans for the operation of External Air Services, a copy of which has been placed in the library of the House.

(*c*) Since India will operate her own independent air services there is no proposal for the employment of Indian personnel in the British Overseas Airways Corporation.

(*d*) Yes. I would refer the Hon. Member to the plan mentioned in reply to part (*b*) and to the plan for the operation of Internal Air Transport a copy of which has also been placed in the Library of the House.

STATEMENT BY THE AUSTRALIAN TRADE COMMISSIONER FOR INDIA REGARDING MARKETS IN INDIA

14. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Has the attention of Government been drawn to the statement of the Australian Trade Commissioner for India some months back, that "Australia was eager to find markets in India" and that "as soon as the war ended, Australia would undertake an aggressive export policy, not only for India, but for other parts of the world"?

(*b*) What steps do Government propose to take to prevent dumping of Australian goods in India, to the detriment of Indian Trade interests?

THE HON. MR. N. R. PILLAI: (*a*) Yes, but Government have reason to believe that Mr. Gollan has not been correctly reported, and are making enquiries.

(*b*) There is no evidence that Australian goods are being dumped into India, and no corrective action is called for.

EXPORT OF TEXTILES

15. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Will Government place on the table a statement, showing the export of textiles from this country, month by month, during the last two years, indicating the quantities and varieties of cloth, and the countries to which they were exported?

(*b*) Will Government place on the table a statement showing the quantities f cloth supplied to the Defence Services and for Military requirements in India, month by month, during the last two years?

THE HON. MR. N. R. PILLAI: (*a*) I lay a statement on the table. No statistics have been maintained showing exports of each variety of cloth.

(*b*) As defence service requirements are procured under the bulk purchase system, it is not possible to furnish statements showing supplies of cloth month by month. The total supplies of cloth during the years 1944 and 1945 were 802 million and 575 million yards respectively.

Statement showing exports of COTTON PIECEGOODS from India during 1944 & 1945.

(Figures are given in tons)

Destinaton	1944												1945											
	Jan.	Feb.	Mar.	Apl.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
Aden, including Yemen, Hadramaut.	486	639	6	273	130	543	932	..	471	415	..	720	422	250	944	516	582	405	269	..	497	..	3	845
Saudi Arabia	100	23	2	..	..	1	192	10	3	202	264	123	210	147	52	47	123	..	300	3	13	85	1	222
Ethiopia	396	570	..	39	..	15	3	..	..	..	..	..	..	..	..	..	144	137	99	..	183	..	..	539
Eritrea	91	183	22	24	11	58	..	2	8	..	..	..	4	17	8	43	3	42	51	..	77	1	103	226
French Somaliland	12	6	..	3	9	18	2	2	12	..	..	..	17	..	20	..	10	1	18	..	31	..	..	33
Afghanistan	327	163	220	335	278	121	72	117	136	92	122	372	173	257	118	318	115	205	246	197	106	192	253	157
Arab States in the Persian Gulf	164	7	..	8	129	22	326	9	2	53	33	119	110	36	67	26	35	19	150	5	96	188	217	151
Australia	352	339	241	161	196	443	44	488	92	589	238	361	13	748	390	184	255	483	..	40	..	817	489	12
Belgian Congo	5	72	..	16	..	15	..	14	15	..	8	..	53	..	1	8	..	76	12	..	..	52	20	..
British East Africa, Nyasaland & Italian Somaliland.	210	1187	712	932	1102	713	..	615	592	18	253	112	22	56	696	1499	293	436	820	..	..	243	2610	131
British West Africa including Nigeria	..	..	..	..	..	1	145	..	538	..	..	..	911	..	..	493	152	719	..	..	..	1276	..	..
China*	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	8	..	..	..	..	..	..
Ceylon	257	268	478	251	370	407	464	144	417	306	310	514	154	221	352	332	306	378	316	147	70	368	163	45
Cyprus	..	17	..	..	23	..	28	23	4	2	..	36	3	25	20	17	10	12	18	..	5	1	5	3
Netherlands East Indies	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2
Egypt	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	4	..	16	62	..	95	4	..	33
Free French Africa	..	..	..	..	..	251	..	..	66	..	..	..	93	..	..	38	..	..	..	..	..	12	21	..
French West Africa	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	141	..	..	..	86	..	..
French North Africa	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	..	..	..	..	..
Iraq	114	84	..	8	59	..	661	116	..	155	275	487	300	244	203	227	229	340	177	6	797	162	582	277
Mauritius	..	8	..	317	15	..	16	..	..	10	205	..	..	..	..	..	1	336	3	..	..	..	..	3
New Zealand	17	18	36	37	48	52	..	85	6	43	54	71	..	75	74	14	..	31	..	..	..	144	144	..
N. & S. Rhodesia	..	117	72	1	136	4	..	69	22	39	..	19	..	..	..	107	..	88	..	..	..	182	77	65
Palestine	46	110	..	45	30	..	104	4	68	..	..	82	33	32	6	..	3	6	20	3	28	14	2	17
Transjordan	..	..	..	..	105	..	..	57	..	23	..	99	11	43	23	12	15	8	31	4	17	29	..	11
Persia	248	137	35	107	32	34	527	8	2	9	75	70	252	44	73	17	27	42	131	21	11	20	3	59
Portuguese East Africa	..	13	1	..	17	..	..	5	..	..	..	..	..	1	5	6	..	..	..	..	..	..	35	55
Seychelles	..	14	..	..	17	3	..	..	7	..	4	6	..	..	21	1	..	10	..	..	..	..	39	..
Sudan	971	748	14	483	277	493	1407	..	311	125	259	343	247	650	372	223	562	660	61	..	..	1726	50	1102
Syria & Lebanon	..	..	..	2	2	..	1	..	..	..	..	..	..	44	27	17	25	32	42	..	52	59	..	34
Turkey	662	704	..	342	296	46	5	126	16	29	..	45	63	182	156	125	118	109	71	..	..	25	..	11
Union of South Africa	..	518	224	190	470	515	111	460	286	406	342	173	2	236	..	498	21	270	378	12	..	46	651	65
Nepal	482	356	341	292	321	341	206	326	356	402	572	430	347	222	102	116	..	21	12	26	23	7	6	..
British Pacific Islands	27	8	12	13	..	20	..	15	..	25	..	9	..	25	5	5	..	12	..	..	..	87	20	..
Madagascar	17	58	..	..	127	141	24	140	194	123	35	265	38	311	1	296	109	116	139	..	34	..	151	..
Reunion	..	..	..	..	..	..	..	..	..	10	..	16	..	3	..	..	..	1	..	..	..	..	7	..

*Export from July 1944 to the end of Janv. 1945=10 tons.

THE HON. PANDIT HIRDAY NATH KUNZRU: Will the Hon. Member tell us what percentage of the total production is proposed to be exported and to be supplied to the defence services?

THE HON. MR. N. R. PILLAI: Does the Hon. Member's question refer to supplies to be made in 1946 or supplies already made?

THE HON. PANDIT HIRDAY NATH KUNZRU: If the Hon. Member could give me the figures say, regarding the exports that have already taken place and supplies already made to the defence services, that will do.

THE HON. MR. N. R. PILLAI: The production of cloth in India has been, during the last two years, as follows: Mill-made goods, 4,800 million yards, and handloom goods, 1,500 million yards.

THE HON. PANDIT HIRDAY NATH KUNZRU: How much of it has been exported? I asked for the proportion of the total production in this country which has been exported and which has had to be supplied for the use of the defence services.

THE HON. MR. N. R. PILLAI: Against the production figure of 6,300 million yards, exports on defence account came to 802 million yards in 1944 and 575 million yards in 1945.

THE HON. PANDIT HIRDAY NATH KUNZRU: Defence services?

THE HON. MR. N. R. PILLAI: Yes, on account of defence requirements.

TRANS-CONTINENTAL AND WESTERN AIR SERVICES OF THE U. S. A.

16. THE HON. RAJA YUVERAJ DUTTA SINGH: Are Government aware that the Trans-Continental and Western Air Services of the U.S.A. propose to operate daily flights from Chicago to Calcutta *via* Alaska, Siberia, China and Japan, after the war? Will Government give the main outlines of this scheme, with special reference to the right of India for control in her own territory and the financial or administrative obligation, if any?

THE HON. SIR MAHOMED USMAN: Government are not aware of any proposal of the Trans-Continental and Western Airways of the United States of America operating from Chicago to Calcutta *via* Alaska, Siberia, China and Japan. The latter part of the question does not therefore arise.

THE HON. MR. M. THIRUMALA ROW: Will Government make enquiries to find out whether any such attempt is being made?

THE HON. SIR MAHOMED USMAN: I do not think it is necessary.

PLACING OF THE EMPEROR OF JAPAN ON THE LIST OF WAR CRIMINALS

17. THE HON. RAJA YUVERAJ DUTTA SINGH: Was any conference held in London some time back between the Dominion representatives and the British Government at which a representative of India was invited, with regard to the placing of the Japanese Emperor, Hirohito, on the list of Japanese War Criminals? If India was not invited to this Conference why did Government fail to press for such invitation?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: The Government of India have no knowledge of any such conference. The second part of the question does not therefore arise.

SMUGGLING OF CLOTH, ETC., INTO BALUCHISTAN

18. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Are Government aware that a regular conspiracy exists which is responsible for smuggling cloth and other consumer goods from India to Baluchistan and other neighbouring States?

(*b*) Is it a fact that about the beginning of April, about 21 camels loaded with bales of cotton cloth were captured on the Kalat-Karachi borders? What are the facts of this case and how has it been dealt with?

(c) What effective steps have been taken to strengthen the agency of supervision to prevent smuggling ?

THE HON. Mr. M. W. M. YEATTS : (a) Government are aware of the persistent efforts to smuggle goods from India to neighbouring countries.

(b) *Part 1.* No, Sir.

Part 2. Does not arise.

(c) The local administration have strengthened considerably the preventive staff and steps have been taken to secure the active co-operation of the States on or near the Western frontier to prevent smuggling. Further under the Goods (Control over Movement) Order, 1945 notified on 25th August 1945 movement of the consumer goods mentioned in the schedule attached to it, is permitted only under permits granted by responsible Government officers.

DISTRIBUTION OF GERMAN BULLION AMONG THE ALLIES

19. THE HON. RAJA YUVERAJ DUTTA SINGH: With reference to the discovery and seizure of an immense amount of German bullion hoard and the report that it will in due course be divided among the Allies, will Government state whether it is proposed to allot a share to India also, in view of the vast expenditure incurred by her in the War ? Do Government propose to ascertain and press the claims of this country on His Majesty's Government ?

THE HON. SIR CYRIL JONES : The Paris Conference on Reparations, at which India was represented, decided that all the monetary gold found in Germany would be restored *pro rata* to the countries from which it was looted. As the quantity of gold found in Germany is very much less than the quantities looted by that State and as, therefore, the legitimate claims of the rightful owners of that gold will not be satisfied, the Government of India did not press, and do not propose to press, for any allocation of this gold to India.

THE HON. Mr. M. THIRUMALA ROW : Can the Government give us the names of the gentlemen who represented India at the Paris Conference ?

What are their names, and their status in the Government of India ?

THE HON. SIR CYRIL JONES : The Original Delegates were Mr. Iengar, Joint Secretary, Department of Planning and Development—Leader of the Delegation ; Mr. Nehru, Deputy Secretary to the Government of India, Finance Department—Member ; Mr. Rathbone, Custodian of Enemy Property—also a Member. Later, as the officers had to be recalled, Mr. Chowdhury, Deputy to the High Commissioner, took their place and carried on the conversations with Mr. Rathbone ; but that was after all major questions of principle had been settled.

THE HON. Mr. M. THIRUMALA ROW : Were they instructed by the Government of India not to press for any reparations, or have the Government of India adopted their advice ?

THE HON. SIR CYRIL JONES : It is entirely incorrect to say that they were instructed not to press for any reparations : they certainly did press for reparations and secured them.

INDIAN NATIONAL AIRWAYS

20. THE HON. RAJA YUVERAJ DUTTA SINGH: Will Government indicate the main details of the plan which the Indian National Airways has for a sky network, extending to the remotest region of India, and providing the most advanced aviation service in the immediate post-war years ?

THE HON. SIR MAHOMED USMAN : Government have no specific knowledge of the plans referred to.

CLOTH EXPORTS THROUGH THE U. K. C. C.

21. THE HON. RAJA YUVERAJ DUTTA SINGH: Will Government state the quantity and value of cloth which has been exported from India through the agency of the U. K. C. C. during the last two years, indicating the figures for each year separately ?

THE HON. MR. N. R. PILLAI: During 1944-45 the U.K.C.C. despatched to Turkey about 800 bales of cloth valued at about Rs. 4·8 lakhs and during the current year 22 bales valued at Rs. 7,000. The supplies were made by the Supply Department against inter-governmental orders and the Corporation only arranged shipment.

THE HON. MR. M. THIRUMALA ROW: Is the U.K.C.C. still operating in India now ?

THE HON. MR. N. R. PILLAI: No, Sir. The office of the U.K.C.C. in India was closed down on the 31st January.

INDUSTRIAL POLICY

22. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Is it a fact that Government in laying down their future industrial policy, declare themselves in favour of taking under Central control, some twenty key industries, including such important and nation-building industries as iron, steel, cotton and woollen textiles, cement, sugar, electric power and coal and that they propose to consult provinces and leading Indian States before coming to a final decision ?

(*b*) Is it a fact that Government propose to take power to license the starting of new factories and the expansion of existing ones, as part of planned industrial development ?

(*c*) In view of the highly controversial nature of the proposals, do Government propose to consult the Central Legislature and the public before taking final decision ? If not, why not ?

LT.-GENERAL THE HON. SIR THOMAS HUTTON: (*a*) and (*b*). Yes. The attention of the Hon. Member is invited to the Statement of Industrial Policy issued in April, 1945.

(*c*) As the proposals referred to in clauses (*a*) and (*b*) require legislative sanction the Ligislature will have a full opprtunity of discussing them.

ATLANTIC CHARTER.

23. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Has the attention of Government been drawn to what is known as the Atlantic Charter and Peace principles enunciated by the President of the U.S.A. and the British Prime Minister, Mr. Churchill, in which they affirm their determination to " respect the right of all peoples to choose the form of government under which they will live, and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them "?

(*b*) Will Government state what specific steps they have taken to press upon His Majesty's Government to implement the principles of the Atlantic Charter and to restore sovereign rights and self-government to India ? What is the result of such representations ?

THE HON. SIR MAHOMED USMAN: (*a*) I have seen newspaper reports of the statement referred to by the Hon. Member.

(*b*) As I have already said in reply to the Hon. Member's question on the 22nd March 1945, the policy of His Majesty's Government in regard to the future of India has been made clear in various pronouncements made from time to time and I cannot usefully add to them.

THE HON. MR. M. THIRUMALA ROW: Have the Government of India got any authoritative document with regard to the Atlantic Charter ?

THE HON. SIR MAHOMED USMAN: Notice, Sir.

LEAVE CAMPS FOR MILITARY PERSONNEL

24. THE HON. RAJA YUVERAJ DUTTA SINGH: Is it a fact that arrangement for the opening of large leave camps for personnel from the Central Command and the North Western Army have been made at Murree and in Kashmir? If so, what are the facilities available and are these camps equally open to the Indian as well as the British personnel? If not, why not?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Leave Camps have been established in all Commands and are designed to provide living accommodation for British Other Ranks who have no residence in India. The Leave Camps at Murree accommodate troops from Northern Command, although during the past year troops on leave from Central Command and Allied Land Forces in S.E.Asia have also been accommodated there. There is no real leave centre in Kashmir, but accommodation for British troops in certain houses, hotels and houseboats has been acquired by the Women's Voluntary Services at standardised daily rates.

Amenities provided in leave camps consist of certain additions to normal service scales of furniture and fittings, such as curtains, floor coverings, extra lighting. Troops also receive a slightly more varied scale of rations and are allowed to wear mufti which is provided on loan.

As regards the last part of the question, I can assure the Hon. Member that there is no question of discremination. The Indian soldier prefers to spend his leave in his home as the British soldier does in the U. K. Since the British soldier has no home in India and cannot afford to put up at hotels, Government have set up these leave camps for their benefit.

THE HON. PANDIT HIRDAY NATH KUNZRU: Is His Excellency the Commander-in-Chief aware that the Indian Army would greatly appreciate the establishment of a few leave camps for Indian soldiers, who are not in good health and who would like to spend a portion of their leave in some healthy place?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: In India?

THE HON. PANDIT HIRDAY NATH KUNZRU: Yes.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: It has not been brought to my notice and so far there has been no demand but I will enquire into the matter. Leave Camps have been set up, as the Hon. Member, I think, knows, in Egypt, Syria, Burma and other places in which Indian troops are stationed and where they have no home to go to.

FUNCTIONS OF THE JUDICIAL COMMISSIONER IN AJMER-MERWARA

25. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: (*a*) Is it a fact that the functions of a High Court in Ajmer-Merwara are performed by a Judicial Commissioner who is the Judicial Commissioner of Rajkot?

(*b*) Have Government received any proposal urging the establishment of Circuit Court of the Allahabad High Court in Ajmer-Merwara? Do they propose to consider the above proposal, in the interest of the more efficient administration of Justice, and to remove the hardships of the people under the present system?

THE HON. MR. A. E. PORTER: (*a*) The functions of the High Court are performed by the Judicial Commissioner, Ajmer-Merwara whose headquarters are at Ajmer. He also performs part-time work at Rajkot for the Western India States Agency.

(*b*) Representations were received in 1943 and 1944 for placing Ajmer-Merwara under the Allahabad High Court and for the disposal of judicial work by Judges of that Court on Circuit but public opinion at the time was not in favour of the abolition of the Judicial Commissioner's Court at Ajmer and it was considered desirable to continue the existing arrangement which is also cheaper to the public.

INDUSTRIALISATION OF INDIA

26. THE HON. RAJA YUVERAJ DUTTA SINGH: Are Government aware of any proposal that India should be industrialised only by British and Indian co-operation on a fifty-fifty basis in capital and controlling interests? What steps do they propose to take to counter such a move?

LT.-GENERAL THE HON. SIR THOMAS HUTTON: *First part*: No. *Second Part*: Does not arise.

INDIAN TRADE COMMISSIONERS

27. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Is there any proposal to have a chain of Indian Trade Commissioners in all countries where there is the possibility of having a market for India's trade, particularly in East Africa, the Middle East, East Asia, Malaya and Indo-China?

(*b*) Will Government make a statement on the above, indicating the main details of the arrangements proposed, and also state whether the Trade Commissioners and Trade Agents will be nationals of India, to the exculsion of foreigners?

THE HON. MR. N. R. PILLAI: (*a*) and (*b*). It is, and has been, the policy of the Government of India to appoint Trade Commissioners to countries which are of actual or potential improtance to India's export trade. Accordingly Trade Commissioners for India have been appointed in eight countries, including, amongst those specifically mentioned in the question, East Africa, Egypt and certain Middle East countries and Persia. It is proposed to make similar appointments in Iraq, Burma and Cylon, and further appointments are in contemplation. It is Government's intention that Trade Commissioners for India should be Indian nationals.

RECRUITMENT TO THE I. C. S. AND I. P.

28. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Is it a fact that it has been decided that 50 per cent. of future recruitment to the I.C.S. and I.P.S. should be ear-marked for British personnel?

(*b*) Will Government make a statement indicating the main features of the proposal they have in view, and the reasons in support of the same?

THE HON. MR. A. E. PORTER: (*a*) and (*b*). Recruitment to the Indian Civil Service and Indian Police was suspended partially in March 1941 and totally after the examination held in India in 1943, in order that appointments due to be filled during the war might be reserved for war service candidates. A scheme is now in operation to select such candidates for vacancies accruing up to the end of 1945. The ratio for recruitment of British and Indian candidates that is current when recruitment was suspended and is being applied in accordance with an undertaking, then given. Full details of the recruitment regulations and conditions of service are contained in the pamphlet 'Civil Appointments in India and Burma', a copy of which is in the Library of the Legislature. There is at present no indication of the Secretary of State's intention with regard to vacancies arising after the end of 1945.

THE HON. PANDIT HIRDAY NATH KUNZRU: Have the Government of India asked, with regard to the recruitment of British officers to the I.C.S., and the I.P.S. that the matter be reconsidered in connection with the new constitutional arrangements which it is hoped would come into effect soon in India?

THE HON. MR. A. E. PORTER: No, Sir.

THE HON. PANDIT HIRDAY NATH KUNZRU: Why have Government neglected to do this?

THE HON. MR. A. E. PORTER: The Administration must go on and the terms on which it is sought to appoint officers to these Services provide for the termination of their appointment upon the institution of constitutional changes

THE HON. PANDIT HIRDAY NATH KUNZRU: Does the Hon. Member mean that the Administration cannot go on if the officers are recruited in India entirely ?

THE HON. THE PRESIDENT: We have today a considerable amount of work to do. I draw the Hon. Member's attention to that.

THE HON. PANDIT HIRDAY NATH KUNZRU: We have not asked many questions, Sir.

THE HON. MR. M. THIRUMALA ROW: May I ask one question, Sir ? Are Government aware of the strong feeling expressed in the country and in the Assembly that the recruitment of British personnel to the I.C.S. and the I.P.S. should be stopped forthwith ?

THE HON. MR. A. E. PORTER: Government are fully aware of the opinion expresssd in the other House. They also read the newspapers.

THE HON. MR. M. THIRUMALA ROW: Will Government be guided by that opinion ?

THE HON. MR. A. E. PORTER: Government will certainly take it into consideration.

SETTING UP OF BRANCHES IN INDIA BY UNITED STATES FIRMS.

29. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Is it a fact that numerous United States firms have expressed great interest in the prospect of setting up branches in India after the war, either independently or in partnership with Indians ?

(*b*) What steps are being taken to guard the situation, in order to prevent Indian market from being exploited in the interest of foreign manufacturers ?

THE HON. MR. N. R. PILLAI: (*a*) No, Sir.

(*b*) Does not arise.

TERMS OF THE INTERIM AND TRANSIT AVIATION AGREEMENT

30. THE HON. RAJA YUVERAJ DUTTA SINGH: Will Government state the main terms of the interim and transit Aviation Agreement, and the obligations arising therefrom, signed some time back on behalf of India in Washington ?

THE HON. SIR MAHOMED USMAN: The Hon. Member is referred to the Final Act of the International Civil Aviation Conference Chicago, containing the texts of the Interim Agreement on International Civil Aviation and the International Air Services Transit Agreement, copies of which are in the Library of the House.

NOTICE OF MOTION FOR ADJOURNMENT.

THE HON. THE PRESIDENT: Hon. Members, just a few minutes before the Council met this morning I received notice of an adjournment motion from the Hon. Mr. M. Thirumala Row. I will read the motion to the House:—

"I give notice of the following adjournment motion of the business of the House to be moved by me today after question time.

'I move an adjournment of the business of the house for dicussing a definite matter of urgent public importance, namely, the continued employment of Indian troops troops in Indonesia for the purpose of suppressing Indonesian Nationalist movement for independence.'

(Sd.) M. Thirumala Row,
Member Council of State."

Hon. Mr. Thirumala Row: I have carefully scanned your motion. I want to know whether you have obtained the leave of His Excellency the Governor General to move this motion.

THE HON. PANDIT HIRDAY NATH KUNZRU: (United Provinces Northern : Non-Muhammadan): Are we required to obtain the Governor General sanction to move such a motion ?

THE HON. THE PRESIDENT: Yes, under rule 23 that is required to bring in a motion like this.

THE HON. PANDIT HIRDAY NATH KUNZRU: May we know what rule 23 is ?

THE HON. THE PRESIDENT: I will read it to you.

"23 (1) Every Resolution shall be in the form of a specific recommendation....." – I may tell you that a motion for adjournment is in the nature of a Resolution – ".....addressed to the Governor General in Council.

(2) No Resolution shall be moved –

* * * * * *

(*ii*) save with the consent of the Governor General in his discretion –

(*a*) on any matter connected with relations between His Majesty or the Governor General in Council and any foreign State or Prince."

This is a motion relating to action which has probably been taken under the orders of His Majesty's Government and I therefore think that the motion requires the sanction of His Excellency the Governor General.

THE HON. PANDIT HIRDAY NATH KUNZRU : May I submit that if the Resolution is admitted here, it will be sent up to the Governor General. It will then be open to him to disallow it if he does not want any discussion.

THE HON. THE PRESIDENT : The rule says that the previous sanction of the Governor General is required.

THE HON. MR. M. THIRUMALA ROW (Madras: Non-Muhammadan) : I submit that there is no necessity for the previous sanction of His Excellency the Governor General, because the motion relates to the disposition of troops which are entirely under the command of the Commander-in-Chief who is a member of this House and who is holding the portfolio of Defence.

THE HON. THE PRESIDENT: I cannot allow you to move the motion to-day, but I will give you an opportunity of obtaining the sanction of the Governor General.

STATEMENTS, ETC., LAID ON THE TABLE.

THE HON. SIR CYRIL JONES (Finance Secretary): Sir, I lay on the table copies * of the following papers :—

(1) Appropriation Accounts (Civil) 1943-44 and Audit Report 1945 ;

(2) Commercial Appendix to the Appropriation Accounts (Civil) 1943-44 and the Audit Report 1945 ;

(3) Finance Accounts 1943-44 and the Audit Report 1945 ;

(4) Appropriation Accounts (Railways) 1943-44– Parts I & II ;

(5) Capital Statements, Balance sheets and Profit and Loss Accounts of State Railways including the Balance Sheet and the Profit and Loss Account of Tatanagar Workshops, 1943-44 ;

(6) Balance Sheets of Railway Collieries and Statements of all-in-cost of coal etc., for 1943-44 ;

(7) Railway Audit Report 1945 ;

(8) Appropriation Accounts (Defence Services) 1943-44 ;

(9) Commercial Appendix to the Appropriation Accounts of the Defence Services for the year 1943-44 ;

(10) Audit Report Defence Services 1945 ; and

(11) Appropriation Accounts (Posts and Telegraphs) 1943-44 and the Audit Report 1944.

*Not printed; Copies are placed in the Library of the House.

THE HON. SIR CYRIL JONES (Finance Secretary): Sir, I lay on the table the following notifications issued by the Government of India in the Finance Department (Central Revenues) under section 37 of the Central Excise and Salt Act, 1944 :—

(1) No. 4-Camp (Central Excises), dated the 10th February, 1945 ;

(2) No. 5-Camp (Central Excises), dated the 10th March, 1945 ;

(3) No. 2 (Central Excises), dated the 21st April, 1945 ;

(4) No. 6 (Central Excises), dated the 2nd June, 1945 ;

(5) No. 8 (Central Excises), dated the 16th June, 1945 ;

(6) No. 10 (Central Excises), dated the 13th October, 1945 ;

(7) No. 11 (Central Excises), dated the 27th October, 1945 ;

(8) No. 1-Camp (Central Excises), dated the 26th January, 1946 ;

(9) No. 1 (Salt), dated the 1st April, 1945 ;

(10) No. 4 (Salt), dated the 26th May, 1945 ;

(11) No. 6 (Salt), dated the 22nd September, 1945 ;

(12) No. 7 (Salt), dated the 13th October, 1945 ;

(13) No. 8 (Salt), dated the 3rd November, 1945 ;

(14) No. 10 (Salt), dated the 3rd November, 1945 ; and

(15) No. 11 (Salt), dated the 15th December, 1945.

CENTRAL EXCISES

No. 4-Camp, dated the 10th February 1945.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following further amendment shall be made in the Central Excise Rules, 1944, namely :—

To rule 60 of the said Rules, the following shall be added, namely :—

"The purchaser shall keep a correct daily account of such goods in like manner as is prescribed in rule 58."

4-Camp/C. No. 21 (2)-C. Exc./44.

Copy forwarded to :—

The Collectors of Central Excise.

The Secretary to the Government of Sind, Revenue Department.

The Political and the External Affairs Departments.

The Deputy Director of Inspection Customs and Central Excise.

The Director-General of Commercial Intelligence for publication in the Indian Trade Journal

CENTRAL EXCISE

No. 5-Camp, dated the 10th March 1945.— In exercise of the powers conferred by section 37 of the Central Excise and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following further amendments shall be made in the Central Excise Rules, 1944, namely :

In rule 65 of the said Rules—

(*i*) in sub-rule (3)—

(*a*) for the words "a security bond in the proper Forms" the words "a bond in the proper Form with such surety or sufficient security as the Collector may require" shall be substituted ;

(*b*) the proviso shall be omitted ;

(*ii*) sub-rule (4) shall be omitted and sub-rules (5) and (6) shall be re-numbered as sub-rules (4) and (5) respectively ;

(*iii*) in sub-rule (4) as re-numbered—

(a) for the words, brackets and figures "sub-rules (3) and (4)" the word, brackets and figure "sub-rule (3)" shall be substituted ;

(b) for the words "the enquiry" the words "due enquiry" shall be substituted ;

No. 5-Camp/C. No. 19 (1)-C. Ex./45.

Copy forwarded to all Collectors of Central Excise ; the Political and External Affairs Departments ; the Secretary to the Government of Sind, Revenue Department ; the Director of Commercial Intelligence and Statistics for publication in the Indian Trade Journal and the Deputy Director of Inspection, Customs and Central Excises.

CENTRAL EXCISES

No. 6, dated the 2nd June 1945.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following further amendments shall be made in the Central Excise Rules, 1944, namely :—

In Form L-2 (Tobacco) of the forms appended to the said Rules, paragraph 3 shall be renumbered as paragraph 4 and before paragraph 4 as so renumbered the following shall be inserted as paragraph 3, namely :—

"3. It is a condition of this licence that the holder shall not use his tobacco for a purpose to which a rate of duty higher than the rate actually paid thereon would be appropriate."

No. 6/C, No. 3 (5)-C. Exc. (T)/45

Copy forwarded to all Collectors of Central Excise, the Secretary to the Government of Sind, the Political and External Affairs Departments and to the Deputy Director of Inspection, Customs and Central Excises.

CENTRAL EXCISE

No. 2, dated the 21st April 1945.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following further amendment shall be made in the Central Excise Rules, 1944, namely :—

In rule 58 of the said Rules, after the words "in the proper Form" the words "or in such other form as the Collector may in any particular case allow" shall be inserted.

CENTRAL EXCISES

No. 8, dated the 16th June 1945.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following further amendments shall be made to the Central Excise Rules, 1944, namely :—

In Appendix I to the said Rules—

I. In the Table under the heading "Forms" for the entries relating to Central Excise Series No. 32, the following shall be substituted : –

Central Excise Series No.	Description of Form	Rule No.	Short Title
32	(with security) for due disposal of excisable goods obtained, without payment of duty, for use in special industrial processes	192	B-8 (Sec.)
32A	(with surety) for due disposal of excisable goods obtained, without payment of duty, for use in special industrial processes	192	B-8 (Sur.)

II. For Form B-5 (Gen. Sur.) (Central Excise Series No. 28), the following form shall be substituted :—

Central Excise Series No. 28

Range
Circle

FORM B-5 (GEN. SUR.)

**General Bond (with surety/ies) for the due arrival and rewarehousing of excisable goods removed from one bonded warehouse to another.*

(Rule 154)

(Delete the letters and words not applicable.)

I/We of
[hereinafter called the obligor(s)] am/are bound to the Governor General in Council in the sum of rupees and I/we

of (hereinafter called the "First Surety")
of (hereinafter called the "Second Surety")
of (hereinafter called the "Third Surety")
of (hereinafter called the "Fourth Surety")

(all hereinafter collectively referred to as the First Surety, the Second Surety, the Third Surety, the Fourth Surety) are each of us severally bound to the Governor General in Council in the sum of rupees each to be paid to the Governor General in

Council for which payment I/we the obligor/obligors bind myself/ourselves and our legal representatives and I/we the abovenamed First Surety, the Second Surety, the Third Surety and the Fourth Surety severally bind myself/ourselves and our legal representatives.

The above bounden obligor(s) being permitted to remove from time to time, conditional on the provisions of the Central Excise Rules, 1944, being observed*, from the bonded warehouse(s) at to other bonded warehouses or *vice versa*.

The condition of this bond is that if the obligor(s) and his/their legal representatives shall observe all the provisions of the said Rules, to be observed in respect of the goods so transferred from time to time;

And if the said goods are duly removed to and rewarehoused at the bonded warehouse(s) of destination to which they are permitted to be removed, within such time as the collector of Central Excise at directs;

This obligation shall be void.

Otherwise and on breach or failure in the performance of any part of the condition, the same shall be in full force.

We declare that this bond is given under the orders of the Central Government for the performance of an act in which the public are interested.

Place

Date

Signature(s) of obligor(s)

Witnesses (1) Address (1) Occupation (1)

(2) Address (2) Occupation (2)

Place

Date

Signature(s) of Surety(ies)

Witnesses (1) Address (1) Occupation (1)

(2) Address (2) Occupation (2)

Accepted by me this day of 19 .

Collector of Central Excise.

III. In Form B-8 (Central Excise Series No. 32), for the existing heading, the following shall be substituted :—

"FORM B-8 (SEC.)

Bond (with security) to be entered into by person licensed to obtain, without payment of duty, excisable goods to be used for special industrial purposes".

IV. After Form B-8, as hereinbefore amended, the following new Form shall be inserted :—

Central Excise Series No. 32-A Range
Circle

FORM B-8 (SUR.)

Bond (with surety) to be entered into by person licensed to obtain, without payment of duty, excisable goods to be used for special industrial purposes.

(*Rule 192*)

(Delete the letters and words not applicable)

I/We of [hereinafter called the obligor(s)] and of (hereinafter called the surety) are jointly and severally bound to the Governor General in Council in the sum of rupees to be paid to the Governor General in Council for which payment we jointly and severally bind ourselves and our legal representatives.

The above bounden obligor(s) having been permitted by the Collector of Central Excise, (hereinafter called the Collector) to purchase from time to time such quantities of as may be required, not exceeding per year for use in the factory at for the manufacture of the commodity(ies) and in the manner, specified in his/their application No. , dated without payment of duty.

The condition of this bond is that if the obligor(s) shall not make any change in the nature or manner or manufacture specified in his/their application or use the for any purpose other than that stated in the application without the prior approval of the Collector;

*Here enter the description of the excisable goods.

And shall observe all the provisions of the Central Excise Rules, 1944, so far as they relate to the use of excisable goods for industrial purposes without payment of duty ;

And if all dues, whether excise duty or other lawful charges, which shall be demandable on the goods [obtained by the obligor(s) without payment of duty] as shown by the records of the proper officer of Central Excises, be duly paid into the treasury to the account of the Collector within ten days of the date of demand thereof being made in writing by the said officer of Central Excises ;

This obligation shall be void.

Otherwise and on breach or failure in the performance of any part of this condition, the same shall be in full force.

I/We declare that this bond is given under the orders of the Central Government for the performance of an act in which the public are interested.

Place
Date

Signature(s) of obligor(s).

Witnesses (1) Address (1) Occupation (1)
(2) Address (2) Occupation (2)

Place
Date

Signature(s) of Surety(ies).

Witnesses (1) Address (1) Occupation (1)
(2) Address (2) Occupation (2)

Accepted by me this day of 19 .

Collector of Central Excise.

V. To Form R.T.2 (Central Excise Series No. 68), the following shall be added at the back :—

"*Central Excise Officer's Account.*

Qty. assessed to duty	Sl. Nos. of Demands for duty	Removals to bonded warehouse			
		Quantity removed		Serial numbers of	
		under transport permit	under transport certificate	transport permits	transport certificates"

VI. For Form R.T. 5 (Central Excise Series No. 71), the following form shall be substituted

Central Excise Series No. 71 Range
Circle

FORM R.T. 5.

Periodical/Quarterly Return of meterials used and of goods manufactured
(*Rule 55*)

Name of factory Address
Quarter ending
Season from to

Opening balance of materials		Materials received		Totol materials		Excise-able goods manufac-tured		Other goods manufac-tured		Materials wasted or destroyed		Closing balance of materials		Remarks
Description	Quantity	Description	Quantity	Description	Qty. Total of Col 2 and 4	Description	Quantity	Des ription	Quantity	Description	Quantity	Description	Quantity	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

NOTE :—(1) Separate particular of each description of materials used and of each description of finished goods produced should be given.

(2) The reasons for wastage and destruction should be entered in the 'remarks' column.

I/We hereby declate that I/we have compared the above particulars with the records and books of the factory and that they are in so far as I/we can ascertain, accurate and complete.
Date

Signature of manufacturer(s).

VII. In the Table annexed to Form R.T. 8 (C) (Central Excise Series No. 76) before the existing entry under the heading "molasses made",—in the second column, against Serial No. 4, the following shall be inserted :—

"Total molasses sent out . . . . . Cwts."

CENTRAL EXCISES

No. 10, dated the 13th October 1945.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following further amendment shall be made to the Central Excise Rules, 1944, namely :—

In paragraph 2 of form L. 5 of the forms appended to the said Rules, after the words "The licence is granted to Mr./Messrs....." the words "who have paid the prescribed licence fee of Rs....." shall be inserted.

No. 10/ C, No. 41 (31)-C. Exc. (T)/45.

Copy forwarded to :—

1. The Collector of Central Excise, Calcutta, with reference to paragraph 1 of the minutes, dated 7th August 1945, of the Assistant Collectors' Conference enclosed with his letter C. No. XVI/58-C1/45/24758, dated 23rd August 1945.

2. Other Collectors of Central Excise.

3. The Secretary to the Government of Sind, Revenue Department, Karachi.

4. The External Affairs Department.

5. The Political Department.*

6. The Director of Commercial Intelligence for publication in the Indian Trade Journal.

7. The Deputy Director of Inspection, Customs and Central Excises.

CENTRAL EXCISES

No. 11, dated the 27th October 1945.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following further amendments shall be made to the Central Excise Rules, 1944, namely :—

In the forms in Appendix I appended to the said Rules —

(*i*) The following shall be inserted as a penultimate paragraph in Central Excise Series Nos. 3 to 7 and as a final paragraph in Series No. 8 :—

"I/We hereby declare that no excise licence previously held by me/us has been revoked or suspended or has failed to be renewed owing to a breach of the Act and/or Rules governing the grant of such licence".

The final paragraphs in Series Nos. 3 to 7 shall be renumbered accordingly.

(*ii*) the following shall be inserted as a final paragraph in Central Excise Series Nos. 9 to 16 : —

"This licence may be revoked or suspended or its renewal may be refused, if any declaration made or information given in the application therefor is found to be false or if any undertaking given in such application is not carried out".

No. II/C, No. 27(11)-C. Exc. (T)/45

Copy forwarded to :—

1. The Collector of Central Excise, Calcutta, with reference to his letter C. No.VII/34-Tob./45/24052, dated 11th August 1945.

2. Other Collectors of Central Excise.

3. The Secretary to the Government of Sind, Revenue Department.

4. The External Affairs Department.

5. The Political Department.

6. The Director of Commercial Intelligence for publication in the Indian Trade Journal.

7. The Deputy Director of Inspection, Customs, and Central Excises.

*With the usual number of spare copies.

CENTRAL EXCISES

No. 1-Camp, dated the 26th January 1946.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following further amendment shall be made to the Central Excise Rules, 1944, namely :—

In Form A.L. 5 set forth in Appendix I to the said Rules—

After paragraph 3, the following paragraph shall be inserted, namely :—

"**3A. I/We have verified that the surety/sureties specified in the bond(s) executed by us in form(s) under rule(s) is/are alive and is/are solvent.

**Strike out if the application is made for the first time and if the bond has been executed with security".

1-Camp/C. No. 8/6-CX./45

Copy forwarded to—

1. All Collectors of Central Excise.
2. The Secretary to the Government of Sind, Revenue Department.
3. The Political Department.
4. The Director of Commercial Intelligence for publication in the Indian Trade Journal.
5. The Inspectorate of Customs and Central Excises.

SALT

No. 1, dated the 1st April 1945.—In exercise of the powers conferred by subsection (1), read with clause (xvii) of sub-section (2) of section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to make the following rule, namely :—

Rule 1

Salt removed from Saltpetre refineries in the Punjab, the United Provinces, Bihar, Orissa, Delhi or Ajmer-Merwara is hereby exempted from the duty imposed on salt by section 3 of the Central Excises and Salt Act, 1944 (I of 1944) read with section 2 of the Indian Finance Act, 1945—

(*a*) in the case of *Sitta* (*i.e.*, impure salt unfit for human consumption), to the extent of one rupee and eight annas per standard maund ;

(*b*) in the case of salt other than *Sitta*, to the extent of one rupee and one anna per Standard maund.

I.C. No. 90-Salt/45

Copy forwarded to the Collectors of Central Excise, Delhi, Allahabad and Calcutta, the Government of the Punjab, the United Provinces, Bihar and Orissa, Chief Commissioners of Delhi and Ajmer-Merwara and the Accountant General, Central Revenues.

No. 4, dated the 26th May 1945.—In exercise of the powers conferred by clause (*xvii*) of sub-section (*2*) of section 37 of the Central Excises and Salt Act, 1944 (I of 1944), and in supersession of the notification of the Government of India in the Finance Department (Central Revenues) No. 28-Salt/27, dated the 1st October 1927, the Central Government is pleased to remit the duty imposed under sub section (I) of section 3 of the said Act on salt manufactured in the province of Madras or in the territories transferred from the Province of Madras to the Province of Orissa by the Government of India (Constitution of Orissa) Order, 1936, when such salt is used in the Province of Madras or in the said territories or, with the special approval of the Central Government, in any other place for any industrial purpose other than the preparation of refined salt or as an ingredient or preservative in any article of food or drink, subject to the following rules :—

Rules

1. Any person intending to use salt in an industrial process (hereinafter referred to as the manufacturer) and wishing to be admitted to the concession shall make an application to the Assistant Collector of Central Excise of the division in which his works are situated (hereinafter referred to as the Assistant Collector). If he wishes the concession to extend to more than one factory or works, a separate application must be made for each such factory or works. Each application shall contain a statement of the estimated monthly quantity of salt required, of the salt factory or depot from which it is desired that it may be issued, and of the purpose and manner for and in which it is intended to be used, as well as a declaration that the salt applied for will be used solely for such purpose and in such manner, and it shall be accompanied by a fee of Re. 1-0-0: Provided that if the concession is granted after six months of a financial year have expired

the fee payable for the said year shall be Rs. 50 and that if the full annual fee of Rs. 100 has been paid and a concession is surrendered before the expiry of six months of a financial year or in the case of a new grantee within six months of the grant, Rs. 50 shall be refunded.

2. If the Assistant Collector is satisfied, from his previous knowledge of the manufacturer or from inquiries or otherwise, that he is a person to whom the privilege of the duty free issue of salt may be allowed without danger to the revenue, he shall then inspect the works, or shall depute an Inspector to do so, or if the works are situated in the Mysore State, shall arrange for their inspection by an officer of the State and shall satisfy himself that they contain a secure store room for the custody of the salt. If the Assistant Collector finally approves the application, he shall require the applicant and one approved surety to execute a bond in Form I annexed hereto which he shall forward to the Collector of Central Excise (hereinafter called the Collector) for signature on behalf of the Central Government and shall at the same time issue an order for the delivery of the salt from the factory or depot named by the manufacturer. The concession shall expire on the 31st March each year, but may be renewed if the Assistant Collector sees no reason to the contrary on payment of a fresh fee of Rs. 100 for each financial year.

3. When the delivery of the salt is required, the manufacturer shall give not less than twenty-four hours' notice, exclusive of Sundays and of sanctioned holidays, to the officer in charge of such factory or depot, at the same time remitting to him the price of the salt at such rate as the Collector may from time to time prescribe.

4. The salt shall be removed from the factory or depot in gunny bags, to be provided by the manufacturer, and to be approved by the Collector each of which shall contain two maunds of salt and shall be sealed by or under the orders of the Collector.

5. The manufacturer shall be bound to convey the salt direct with unbroken seals from the factory or depot to his works. He shall there keep it in a store-room approved by the Assistant Collector in the bags in which it was removed from the factory or depot. The bags shall not be opened before the salt is actually required for use nor shall the seals be broken or removed except in the presence of the manufacturer or his manager, who shall be a person approved by the Assistant Collector.

6. The key of the room in which the salt is kept shall be in the personal custody of the manufacturer or his manager who shall execute an agreement in Form II annexed hereto and who shall maintain an account in Form III annexed, showing the quantity of salt received, the quantity expended from time to time with the purpose for which, and the manner in which, it has been used and the daily balance in hand. He shall also maintain any other accounts which the Collector may prescribe in connection with the issue of salt for any particular trade. The factory or works may be entered into and examined at any time by any magistrate or by any officer of police not below the rank of Inspector or by any officer of the Central Excise Collectorate not below the rank of Sub-Inspector or by any person whom the Assistant Collector or other superior officer of the Collectorate may at any time specially empower in this behalf, or by any officer of the Central Excise Collectorate of a Province other than Madras who may be especially empowered in this behalf by the Central Board of Revenue or by any officer of the Mysore State empowered in this behalf by the Durban in respect of factories or works situated within that State, and due facilities for examining the accounts as well as for checking the stock of salt received, expended and in hand, shall be afforded by the manufacturer and all other persons employed by him.

7. Save with the written permission of the Assistant Collector or in unavoidable circumstances such as the occurrence of a fire or the like, salt shall be removed from such store-room only for use for the purpose and in the manner specified in the manufacturer's application. All salt so removed for use shall be at once so used. All spent lye or other useless refuse containing salt shall be effectually destroyed on or near the premises in such manner as the Assistant Collector may direct.

8. The Central Government reserve to themselves power to impose a preventive establishment on the manufacturer at his expense whenever the Collector considers it necessary for the protection of the revenue to do so.

9. In case of any infraction of these rules, the permission to use salt duty-free in the manufacture will be liable to be withdrawn and all salt remaining in store will be liable to be destroyed under the orders of the Assistant Collector. No refund will be made on account of the price of salt so destroyed.

10. If any salt issued under these rules is not duly accounted for as having been used for the purpose and in the manner stated in the manufacturer's application, the manufacturer shall, on demand by the Assistant Collector, be bound immediately to pay to Central Government duty on all salt so unaccounted for at double the rate of duty on salt for the time leviable under the Central Excise and Salt Act, 1944 (hereinafter referred to as the Act), or other law for the time being in force and relating to the salt revenue.

The above condition does not prejudice the liability of the licensee to prosecution under Section 9 of the Act or other law for the time being in force relating to the salt revenue, if it shall appear that such salt so unaccounted for has been otherwise used by him or with his consent or connivance so as to defraud the salt revenue.

11. After the Assistant Collector has once given permission for the duty-free issue of salt to any manufacturer, it shall not be necessary so long as that permission remains unrevoked for the manufacturer to apply to the Assistant Collector for the issue of such further supplies as he may required in the conduct of his business for use for the same purpose and in the same manner in the same official year. It will be sufficient for him to apply to the officer in charge of the

factory or depot from which the first issue was made. The manufacturer shall be bound to remove and keep the salt issued on the second and all subsequent occasions in bags bearing a distinctive mark differing from that borne by the bags in which the salt issued on the first or any previous occasion was issued and kept, and not to use any of it until the whole of all previous issues has been expended and entered as expended in his account.

12. The permission to remove salt duty-free under these rules may at any time be cancelled and withdrawn by orders of the Collector without cause being assigned, in which case the manufacturer shall be bound to deliver up to the Assistant Collector or to such person as he may, in writing, appoint to receive the same, all salt removed under these rules which may then remain unexpended in the custody of the manufacturer who shall be entitled to payment therefor at the rate at which he paid for it but to no other payment or compensation whatever.

13. Any person who may be dissatisfied with an order passed by the Assistant Collector under these rules may appeal to the Collector and any person dissatisfied with an order passed by the Collector under these rules may appeal to the Central Board of Revenue.

FORM I

Form of Bond (*see* Rule 2).

Know all men by these presents that we ..... of .....and ..... of ..... are jointly and severally bound to the Governor General of India in Council in the sum of Government Rupees* .....to be paid to the said Governor General in Council for which payment we jointly and severally bind ourselves and our legal representatives

Dated this .....day of 19

Witness to the signature of the said. (Sd.)

Witness to the signature of the said. (Sd.)

The above bounden .....(hereinafter called the manufacturer) having been permitted to remove from time to time from the salt factory or depot at .....such quantities of salt as he may require not exceeding .....Indian maunds at a time per month for use in his manufactory of .....at .....for the purpose and in the manner below stated without payment of duty under the rules, of which a copy is hereunto annexed.

Purpose of use. Manner of use.

The condition of this obligation is that if the manufacturer and his legal representatives and his or their servants employed in the said manufactory shall at all times well and truly observe and keep the conditions of the said rules, then this bond shall be void, otherwise the same shall remain in full force.

Signed on behalf of the said Governor General in Council by ..... Collector of Central Excise, Madras on the ..... day of .....19 .

Collector of Central Excise.

Witness to the signature of the Collector

of Central Excise.

Note.—After the establishment of the Federation of India the 'words in Council', wherever they occur, shall be omitted.

*Here enter double duty on the salt allowed to be removed.

FORM II.

Form of agreement (*see* Rule 6).

I .....of ..... being appointed by .....to be manger of his .....manufactory at ..... for use in which for the purpose and in the manner below set forth the duty free-issue of salt has been permitted by the Assistant Collector of Central Excise ..... Division, under the Rules, a copy whereof is hereunto appended do hereby declare that I will faithfully observe and keep all the conditions of the said Rules and will, so far as income lies cause all servants employed under my orders in the said manufactory so to observe and keep them.

Purpose of use ;

Manner of use ;

I understand that in the event of any portion of the said salt being used otherwise than for the said purpose or in the said manner, so as to defraud the public revenue, by me or with my connivance or consent, I shall be liable to fine and imprisonment under Section 9 of the Central Excises and Salt Act, 1944, (I of 1944) or other law for the time being in force and relating to the Salt Revenue.

Signed on the .....day of ..... 19 . in the presence of

FORM III.

Daily account prescribed under Rule 6 of the receipts and expenditure of salt issued duty-free for use in manufacturers at the.....Manufactory at.....

Date	RECEIPTS				EXPENDITURE			Balance in hand.	Signature of the manufacturer, or his Manager, or the Officer-in-Charge.	Remarks by the Inspecting Officer.
	Date of bond under which received.	Quantity received.	Factory from which received.	Total received.	Propose for and the manner in which used.	Quantity received.	Total used.			
1	2	3	4	5	6	7	8	9	10	11
		1 Md.		1 Md.		1 Md. S. T	1 md. S. T.	1 Md. S. T.		

N.B.— This account should be closed and the balance of salt in hand be carried forward to a new account on the first day of April in each year.

No. 6, dated the 22nd September 1945.— In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944) the Central Government is pleased to direct that the following amendments shall be made in the Sind Salt Rules, 1940, published with the Resolution of the Government of Sind in Revenue Department No. 223-B, dated the 15th January 1940, namely :—

In the said Rules—

(*i*) For Rule 8 the following shall be substituted namely :—

"8. The hours of work during which salt shall be issued for removal shall be from 8-0 a.m. to 6-0 p.m., excluding a period of recess from 1-0 p.m. to 3-0 p.m. When, however, during the said period of recess salt is being removed from a salt works by sea under the Salt Transport and Export Rules, 1943 and the trader so desires, arrangements for work during the period will be made only when the steamer taking cargo is in harbour. Issues of salt for removal under the Salt Transport and Export Rules, 1943 may, however, be allowed during night on payment of fees prescribed in rule 12 but no removals of such salt shall be allowed from the salt works at night, except by sea. At Dilyar and Saran the hours of work may be varied by the Superintendent to suit the local conditions, with the approval of the Revenue Commissioner for Sind."

(*ii*) In rule 9, *for* the words and figures Transport and Export Rules, 1933" the words and figures "Salt Transport and Export Rules, 1943" shall be substituted.

(*iii*) The following shall be inserted as Rule 12-A namely :—

"12-A. When salt is removed in bond from a salt works by land for shipment at the port of export, the transporter or exporter shall pay a fee of annas three per hour or Part thereof for every escort posted by the Superintendent. The fee so recovered shall, in the first instance, be credited to Government and later drawn on a bill and paid to the guard (naiks and peons) as overtime allowance according to the period of extra work put in by him.

Note. —The fee shall be payable from the time the escort is placed at the disposal of the applicant to the time he is brought back to the works by him. The applicant shall make arrangements for the escort's transport to and fro at his (applicant's) cost."

SALT

No. 7, dated the 13th October, 1945.—In exercise of the powers conferred by clause (*xvii*) sub-section (*2*) of section 37 of the Central Excises and Salt Act, 1944 (I of 1944) the Central Government is pleased to direct that the following amendment shall be made in the rules published with the notification of the Government of India in the Finance Department (Central Revenues) No. 4 Salt, dated the 26th May 1945, namely :—

For Form III of the forms annexed to the said rules, the following form shall be substituted, namely :—

"FORM III.

(*See* Rule 6)

Daily account of receipts and consumption of salt in the manufacture of..
.....at the manufactory at.....

Date.	Date and No. of bond.	Opening Balance.	Quantity received.	Factory from which received.	Total in Stock	Quantity issued.	Closing Balance.	Quantity of manufactured.	Signature of Manufacturer or Manager.	Remarks.
1	2	3	4	5	6	7	8	9	10	11
		1 Mds. S. T.	1 Md.		1 Md. S. T,	1 Md. S. T.	1 Md. S. T.			

N.B.—This account should be closed and the balance of salt in hand be carried forward to a new account on the first day of April in each year.

SALT

No. 8, dated the 3rd November, 1945.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944) the Central Government is pleased to direct that the following further amendments shall be made in the rules published with the notification of the Government of India in the Finance Department (Central Revenues), No. 1-Salt, dated the 12th January 1935, as amended from time to time, namely :—

I. In the said Rules –

1. In rule 1, after the words "for each such factory or words" the words "even if they are situated in the same premises" shall be inserted.

2. After rule 1, the following rule shall be inserted, namely—

"1-A. The Central Government or the Collector, while sanctioning an application, may, if necessary, fix the maximum quantity of salt upto which refund of duty may be allowed in a year. The sanctioning authority may fix different maximum limits for different factories and works run by a manufacturer. The limit so fixed may be varied from time to time by the sanctioning authority".

3. Rule 3 shall be renumbered as sub-rule (1) of that rule and in sub-rule (1) as so renumbered—

(*i*) after the words "salt works" the words "saltpetre refinery, Government golah, Government" shall be inserted ;

(*ii*) for the words "supported by the .....returned to the manufacturer" the words "supported as the case may be by the (1) receipt in form A of the firm from which salt has been purchased, (2) salt removal permit in form A-I in the case of salt obtained from private salt works or saltpetre refineries (3) certificate in form A-II in the case of salt obtained from Government salt works or depots or (4) customs receipt or a copy of the import bill of entry showing that customs duty has been paid in the case of imported salt removed from Government golahs. These documents shall not be returned to the manufacturer" shall be substituted; and

(*iii*) after sub-rule (*1*) as so renumbered the following shall be inserted, namely —

"(2) No refund of duty shall be allowed unless an application for such refund reaches the Assistant Collector within six months of the close of the relevant half year."

4. Rule 7 shall be renumbered as sub-rule (1) of that rule and after sub-rule (1) as so renumbered the following shall be inserted, namely –

"(2) Each consignment of salt procured by the manufacturer under this concession shall be stored separately in the store-room and distinctively marked, and the manufacturer shall not use any salt from any such consignment until all the salt previously procured has been expended and entered as expended in his accounts".

5. In rule 8—

(I) to sub-rule (*2*) the following shall be added namely—

"provided that when the store keeper is away from the premises of the factory or works he shall leave the key with the Manager."

(II) after sub-rule (*2*) the following shall be added as sub-rule (3), namely—

"(*3*) The key of the store-room shall be available at the premises of the factory or works to facilitate inspection of the salt godown by inspecting officers, at any time between the hours of sunrise and sunset" failing which the manufacturer shall be liable to a fine not exceeding rupees one hundred for each occasion the inspecting officer has to return without being able to inspect the godown".

6. In rule 10, after the words "in Form B" the words "appended to these rules" shall be inserted.

7. To rule 11, the following shall be added at the end, namely –

"The Collector may, however, permit the manufacturer to stock Khewra rock-salt in bulk"

II. In the forms appended to the said Rules—

1. in form A after the words "Receipt" the words "in case of salt purchased from a firm of approved dealers" shall be inserted ; and

2. after form A, the following forms shall be added, namely –

"FORM A-I.

Form of permit in respect of salt obtained from private salt works or saltpetre refineries.

(*Rule 3*)

Mr./Messrs. concessionaire(s) is/are permitted to remove maunds of salt from Salt works/saltpetre or factory/refinery for use in his/their factory at

Date Inspector

FORM A-II

Form of Certificate in respect of salt obtained from Government salt works or depots.

(*Rule 3*)

Certified that.....wagon(s) (.....maunds) of salt has/have been cleared on.....against indent No.....dated.....placed by Mr./Messrs.... .....concessionaire(s) at the.....treasury.

Officer Incharge,

Date of the.....Depot/Works."

SALT

No. 10, dated the 3rd November, 1945.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following further amendments shall be made in the rules published with the notification of the Government of India in the Finance Department (Central Revenues) No. 5-Salt, dated the 4th February 1928, as amended from time to time, namely :—

I. In the said Rules—

1. To rule 2, the following shall be added, namely –

"even if they are situated in the same premises."

2. After rule 2, the following shall be inserted, namely –

"2-A. The Collector, while sanctioning an application, may, if he considers necessary, fix the maximum quantity of salt up to which refund of duty may be allowed in a year. He may fix different maximum limits for different factories and works run by a manufacturer. The limit so fixed may be varied from time to time by the Collector."

3. In rule 4–

(*i*) for sub-rule (*1*) the following shall be substituted, namely—

"(*1*) The concession shall only be allowed on salt used on and from the date of deposit of the inspection fee into the Treasury. After making this payment the manufacturer shall in the first instance provide himself with dutypaid salt for use in the process mentioned in his application under rule 8, by purchase from a salt works or a firm of salt dealers approved by the Collector, and shall at the close of each quarter submit to the Assistant Collector an application for a refund of duty on the salt used which should be supported by the Salt Removal Permit in Form A in the case of salt obtained from a salt works or the receipt in Form B of the firm from which salt has been purchased. The forms A and B are appended to these rules."

(*ii*) after sub-rule (*1*) the following shall be inserted, namely—

"(*5*) No refund of duty shall be allowed unless an application for such refund reaches the Assistant Collector within three months of the close of the relevant quarter."

4. After sub-rule (*2*) of rule 5 the following shall be inserted, namely—

"(*3*) Each consignment of salt procured by the manufacturer under this concession shall be stored separately in the store-room and distinctively marked, and the manufacturer shall not use any salt from any such consignment until all the salt previously procured has been expended and entered as expended in his accounts".

5. In rule 6—

(*i*) to sub-rule (*2*), the following shall be added, namely—

"provided that when the store-keeper is away from the premises of the factory or works he shall leave the key with the Manager of the factory"; and

(*ii*) after sub-rule (*2*) the following shall be inserted, namely—

"(*3*) The key of the store-room shall be available at the premises of the factory or works to facilitate inspection of the salt godown by inspecting officers, at any time between the hours of sunrise and sunset, failing which the manufacturer shall be liable to a fine not exceeding rupees one hundred for each occasion the inspecting officer has to return without being able to inspect the godown."

6. In rule 9, for the words "the form" the word and letter "Form C" shall be substituted.

II. (*i*) in the form appended to the said Rules, the word and letter "FORM C" shall be inserted above the words "Salt Register"; and

(*ii*) before the said form, the following forms shall be inserted, namely—

"FORM A

Form of permit in respect of salt obtained from private salt works.

(*Rule 4*)

Mr./Messrs.....concessionaire(s) is/are permitted to remove.....maunds of salt from..... salt works or factory for use in his/their factory at.....

Date Inspector.

FORM B

Form of receipt in respect of salt purchased from a firm of approved dealers.

(*Rule 4*)

Received from the.....sum of Rs..... .....in payment for.....maunds of full duty-paid salt purchased for use in his /their factory at.....

Date Signature of Approved dealer."

SALT

No. 11, dated the 15th December, 1945.—In exercise of the powers conferred by clause (*v*) of sub-section (*2*) of section 37 of the Central Excises and Salt, Act 1944 (I of 1944), the Central Government is pleased to direct that the following further amendments shall be made in the rules issued with the Notification No. 561 dated the 18th December 1899, under clause (*b*) of Section 85-A of the Madras Salt Act, 1899 (Madras Act IV of 1899), namely :—

(I) In section B of the said Rules—

(*a*) in rule 7, for '5 P.M.' substitute '4 P.M.'; and

(*b*) in rule 8, for the figure and words '8 A.M.' and will continue until '1 P.M. substitute '7 A.M. and will continue until noon'.

(II) In rule 3 (VIII) of section C of the Said Rules, for '6 P.M.' substitute '5 P.M.'.

THE HON. MR. A. E. PORTER (Home Secretary): Sir, I lay on the table copies of the following Declarations of Exemption issued by the Government of India in the Home Department, under section 6 of the Registration of Foreigners Act, 1939 :—

(1) No. 1/10/45-Poll (E), dated the 20th March, 1945;

(2) No. 1/13/45-Poll (E), dated the 20th March, 1945;

(3) No. 1/18/45-Poll (E), dated the 26th April, 1945;

(4) No. 1/18/45-Poll (E), dated the 30th May, 1945;

(5) No. D. 41/45-Poll (E), dated the 23rd October, 1945; and

(6) No. D. 67/45-Poll (E), dated the 8th November, 1945.

DECLARATION OF EXEMPTION.

No. 1/10/45-Poll. (E.), dated the 20th March, 1945.—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 provision 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. Claude Marcus Cannon, U. S. citizen, for so long as he is employed as Assistant Business Manager, United States Foreign Economic Administration in India.

DECLARATION OF EXEMPTION.

No. 1/13/45-Poll. (E.), dated the 20th March, 1945.—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 Janet D. Corwin, a. U.S. national, for so long as she is employed with the Regional Director for the Far East, the Rockefeller Foundation, Delhi.

DECLARATION OF EXEMPTION.

No. 1/18/45-Poll. (E.), dated the 25th April 1945.—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—

(*i*) Rev. Father Michael D. Lyons, an employee of the U. S. A. Foreign Economic Administration.

(*ii*) Mr. Ernest Llewellyn Curry, Port Engineer, United States War Shipping Administration.

(*iii*) Mr. Jasper R. Marlowe, United States Foreign Economic Administration, China Mission, New Delhi.

for so long as they remain in their present posts.

DECLARATION OF EXEMPTION.

No. 1/18/45-Poll. (E.), dated the 30th May, 1945.—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

(*i*) Mr. James K. Brinker Port Operations Assistant, Calcutta, an employee of the United States War Shipping Administration.

(*ii*) Mr. Horatio B. Hawkins, United States Foreign Economic Administration, New Delhi.

(*iii*) Mr. John Martin Cates Recruitment and Manning Representative of United States War Shipping Administration in Bombay,

for so long as they remain in their present posts.

DECLARATION OF EXEMPTION.

No. D. 41/45-Poll. (E.), dated the 23rd October, 1945.—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. Morton S. Cressy, United States citizen, for so long as he remains in India in connection with the work of advising the Government of India on the development of Chemical Industries.

DECLARATION OF EXEMPTION.

No. D. 167/45-Poll. (E.) (U. S.), dated the 8th November, 1945.—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. C. V., C.O. E. S. who is in India in connection with the work of advising the Government of India on the post-war development of the machinery and engineering industries.

THE HON. SIR MAHOMED USMAN (Posts and Air Member) : Sir, I lay on the table copies of the Posts and Air Department Notification No. 26-V(14)/44, dated the 6th December, 1944, relating to an amendment of the Indian Aircraft Rules, 1937 under sub-section (3) of section 5 of the Indian Aircraft Act, 1934.

Copy of Notification No. 26-V (14)/44, dated, New Delhi, the 6th December 1944, from Government of India, Department of Posts and Air to the Publisher, Gazette of India, and copy forwarded to the Director of Civil Aviation in India and War Department.

In exercise of the powers conferred by section 5 and sub-section (2) of section 8 of the Indian Aircraft Act, 1934 (XXII of 1934), the Central Government is pleased to direct that the following further amendment shall be made in the Indian Aircraft Rules, 1937, namely :—

After Part XII of the said rules, the following shall be inserted, namely :—

" Part XII-A—Emergency Provisions.

133-A. The Joint Flying Control Regulations for the Royal Air Force and the United States Army Air Forces, as may from time to time be prescribed by the South East Asia Air Command, shall, with effect from the 1st December, 1944, apply to all aircraft for the time being in or over British India and shall have effect notwithstanding anything inconsistent therewith contained in the preceding Parts of these Rules."

THE HON. SIR MAHOMED USMAN (Posts and Air Member) : Sir, I lay on the table* copies of the Posts and Air Department Notification No. 11-M (A) 1/46, dated the 23rd January, 1946, relating to certain further amendments to the Indian Aircraft Rules, 1937, under sub-section (3) of section 5 of the Indian Aircraft Act, 1934.

INFORMATION PROMISED IN REPLY TO QUESTIONS LAID ON THE TABLE

THE HON. SIR MAHOMED USMAN (Posts and Air Member) : Sir, I lay on the table the information promised in reply to part (*b*) of the short notice question No. 146, asked on the 28th August, 1934.

Questoin No, 146

Statement showing the objects on which Aviation share of the Petrol Tax Fund was expended during the year 1944-45.

Objects.	*Expenditure.* (Rupees.)
(*i*) *Clubs*	
Grants-in-aid to Flying Clubs in India	77,059
Financial Assistance to Indian Gliding Association	3,000
(*ii*) *Experimental*—	
Aircraft -	
Operation and maintenance of the Wind Tunnel at the Indian Institute of Science, Bangalore, for carrying on certain tests on aircraft	4,775
Miscellaneous Items.	217
Total	85,051

THE HON. SIR JOGENDRA SINGH (Education, Health and Agriculture Member) : Sir, I lay on the table the information promised in reply to question No. 59, asked on the 22nd February, 1945.

Question No. 59

DEATHS OF DESTITUTES IN CALCUTTA

The number of persons cremated and buried at the expense of the Corporation of Calcutta in 1943 was 15,657.

*Not printed, copies are placed in the Library of the House.

THE HON. SIR JOGENDRA SINGH (Education, Health and Agriculture Member): Sir, I lay on the table the information promised in reply to questions Nos. 265 to 268, asked on the 28th March, 1945.

Question No. 265

PRESCRIBED QUALIFICATIONS, EMOLUMENTS, ETC., OF PRINCIPALS AND TEACHERS OF EDUCATIONAL INSTITUTIONS IN DELHI PROVINCE.

(*a*) Yes.

(*b*) In the case of a Teacher, highest qualification in the subject is essential while in the case of appointment of a Principal, administrative experience is the main consideration.

Question No. 266

PRESCRIBED QUALIFICATIONS, EMOLUMENTS, ETC., OF PRINCIPALS AND TEACHERS OF EDUCATIONAL INSTITUTIONS IN DELHI PROVINCE.

There are nine Higher Secondary Schools in the Delhi Province in which the post of Principal is held by an ordinary graduate. All the nine gentlemen were Headmasters of the High Schools before reorganisation and were considered qualified to continue as Principals on account of their long administrative experience.

The names of the schools are as follows:—

1. Anglo-Arabic Higher Secondary School, Ajmere Gate, Delhi.
2. Birla Higher Secondary School, Birla Line, Delhi.
3. Commercial Higher Secondary School, Delhi.
4. Harcourt Butler Higher Secondary School, New Delhi.
5. M. B. Girls' Higher Secondary School, New Delhi.
6. Modern Higher Secondary School, New Delhi.
7. Queen Mary's Higher Secondary School, Delhi.
8. Ramjas Higher Secondary School, No. 1, Delhi.
9. Ramjas Higher Secondary School, No. 2, New Delhi.

Question No. 267.

PRESCRIBED QUALIFICATIONS, EMOLUMENTS, ETC., OF PRINCIPALS AND TEACHERS OF EDUCATIONAL INSTITUTIONS IN DELHI PROVINCE.

Yes; the grade for graduates is Rs. 80-5-120-8-200 and Masters of Arts are given a starting salary of Rs. 120 in this grade irrespective of the class they teach.

Question No. 268

PRESCRIBED QUALIFICATIONS, EMOLUMENTS, ETC., OF PRINCIPALS AND TEACHERS OF EDUCATIONAL INSTITUTIONS IN DELHI PROVINCE.

Yes, there are seven persons possessing Master's Degrees in the subject other than the subjects which they are permitted to teach to Class XI. A list of the Schools in which they teach and the subjects they teach is as follows:—

1. Anglo-Arabic Higher Secondary School, Daryaganj, Delhi .	Principal, shares teaching of English.
2. D. A. V. Higher Secondary School, Delhi	Do.
3. D. A. V. Higher Secondary School, New Delhi . . .	Do.
4. M. B. Higher Secondary School, New Delhi . . .	Do.
5. Anglo-Arabic Higher Secondary School, Ajmere Gate, Delhi	Assistant Teacher shares teaching of English.
6. Raisina Bengali Higher Secondary School, New Delhi. .	Do.
7. Ramjas Higher Secondary School, No. 1, Delhi . . .	Do.

STATEMENTS, ETC., LAID ON THE TABLE

THE HON. SIR JOGENDRA SINGH (Education, Health and Agriculture Member): Sir, I lay on the table copies of further amendments to the notification of the Government of India in the Department of Education, Health and Lands, No. F. 50-13(20)/39-A, dated the 20th November, published with the Department of Education, Health and Landsnotification No.F. 16-1/45-A, dated the 16th April, 1945.

AGRICULTURE.

No. F. 16-1/45-A., dated the 16th April, 1945.—In exercise of the powers conferred by sections 4A and 4D of the Destructive Insects and Pests Act, 1914 (II of 1914), the Central Government is pleased to direct that, with effect from the 1st June 1945, the following further amendments shall be made in the notification of the Government of India in the Department of Education, Health and Land , No. F.-50-13 (20)/39-A, dated the 20th November, 1940, namely :—

I. In the preamble to the said notification, and in rule 1 of the said Rules, after the words " North West Frontier Province ", the words " the Province of Madras " shall be inserted.

II. In the *Note* below the Schedule annexed to the said rules, clause (*d*) shall be re-lettered as clause (*e*) and before clause (*e*) as so re-lettered, the following clause shall be inserted namely :—

" (*d*) in the Province of Madras, by the Entomologist to Government Madras, Coimbatore, or such other officer as may be authorised by the Provincial Government in this behalf ".

Copy forwarded to the—

Director, Imperial Agricultural Research Institute, Commerce Department.

Central Board of Revenues.

Secretary, Imperial Council of Agricultural Research, for information and publication in the journals of the I. C. A. R.

Director General, Commercial Intelligence and Statistics for publication in the Indian Trade Journal.

Consul General for the United States of America, Calcutta.

Legislative Department, with 8 spare copies, with the request that they may, in accordance with the provisions of section 4 D of the Destructive Insects and Pests Act, 1914, be placed on the table of the Council of State.

Legislative Assembly Department, with 8 spare copies with the request that they may, in accordance with the provisions of section 4D of the Destructive Insects and Pests Act, 1914, be placed on the table of the Legislative Assembly.

No. F.-16-1/45-A

Copy forwarded to the Railway Department (Railway Board) in continuation of the Department endorsement No. F. 15-21/41-A., dated the 12th May 1942, with the request that necessary orders to the railway officials concerned, for enforcing the rules, with effect from the 1st June 1945 in so far as transport by rail is concerned, may kindly be issued immediately, under section 4B of the Destructive Insects and Pests Act, 1914, railway officials at the forwarding stations are empowered to refuse to accept for carriage any consignments which do not fulfil the requirements of these rules.

No. F.-16-1/45-A

Copy forwarded to the Posts and Air Department with the request that this may be brought to the notice of the Posts and Telegraphs Department and the Director of Civil Aviation.

THE HON. MR. H. C. PRIOR (Labour Secretary): Sir, I lay on the table copies* of the Summary of proceedings of the fifth meeting of the Standing Labour Committee held at New Delhi on the 27th June, 1944.

THE HON. MR. H. C. PRIOR (Labour Secretary): Sir, I lay on the table copies* of the Summary of proceedings of the Indian Labour Conference held at NewDelhi on the 27th and 28th October, 1944.

THE HON. MR. H. C. PRIOR (Labour Secretary): Sir, I lay on the table copies* of the Summary of proceedings of the sixth meeting of the Standing Labour Committee held at New Delhi on the 17th March, 1945.

THE HON. MR. H. C. PRIOR (Labour Secretary): Sir, I lay on the table copies* of the Instrument for the amendment of the Constitution of the International Labour Organisation together with copies* of the statement of the action proposed to be taken thereon.

*Not printed, copies are placed in the Library of the House.

INFORMATION PROMISED IN REPLY TO QUESTION LAID ON THE TABLE

THE HON. SIR ARTHUR GRIFFIN (Chief Commissioner of Railways: Sir, I lay on the table the information promised in reply to question No. 213, asked on the 27th March, 1945.

Question No. 213

NUMBER OF CANDIDATES ADMITTED TO THE RAILWAY TRAINING SCHOOL, JAMALPUR.

(*a*) It is presumed that the Honourable Member refers to Apprentice Mechanics. The following is a statement showing the communal composition of trainees of this category recruited during the years 1940 to 1944 :—

Communities	1940	1941	1942	1943	1944
1. Anglo-Indians	15	18	19	20	19
2. Sikhs	..	..	..	..	1
3. Indian Christians	..	..	..	1	..
4. Parsees	..	..	1	..	..
5. Muslims	5	6	7	8	4
6. Caste Hindus	..	..	..	..	1
7 Hindus	7	10	10	12	23
Total	27	34	37	41	48

Separate figures for Scheduled Castes are not available, as no percentage of vacancies was reserved for members of Scheduled Castes up to 1944.

(*b*) No. Candidates obtaining a minimum of 50 per cent. of the maximum marks in the written examination are considered eligible for interview. With a view, however, to maintaining communal proportions, this limit is reduced in favour of communities for whom percentage reservations in the matter of appointments exist, in order to obtain the required number of persons belonging to such communities.

(*c*) Government regret they are unable to comply with the Hon. Member's request.

MESSAGES FROM HIS EXCELLENCY THE GOVERNOR GENERAL

THE HON. THE PRESIDENT: Hon. Members, I have four messages from His Excellency the Governor General.

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, Archibald Percival, Viscount Wavell, hereby appoint Monday, the 18th February, 1946, for the presentation to the Council of State, and Thursday, the 21st February, 1946, for the General Discussion in the Council of State, of the estimated annual expenditure and revenue of the Governor General in Council in respect of Railways.

NEW DELHI; WAVELL,
The 29th January, 1946. *Viceroy and Governor General.*"

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, Archibald Percival, Viscount Wavell, hereby appoint Thursday, the 28th February, 1946, at 5 P.M for the presentation to the Council of State, and Wednesday, the 6th March, 1946, 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.

NEW DELHI; WAVELL,
The 29th January, 1946. *Viceroy and Governor General.*"

"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 1946-47 is under consideration.

NEW DELHI; WAVELL,
The 23rd January, 1946. *Viceroy and Governor General.*"

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, Archibald Percival, Viscount Wavell, 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 Hon'ble Sir David Devadoss ; in the second place, the Hon'ble Mr. Manockji Nadirshaw Dalal ; in the third place, the Hon'ble Mr. V. V. Kalikar ; and lastly the Hon'ble Saiyad Mohamed Padshah Sahib Bahadur.

NEW DELHI ;
The 25th January, 1946.

WAVELL,
Viceroy and Governor General."

COMMITTEE ON PETITIONS

THE HON. 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 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 Hon. Raja Charanjit Singh and as members, the Hon. Pandit H. N. Kunzru, the Hon. Sir K. Ramunni Menon, the Hon. Haji Syed Muhammad Husain, and the Hon. Mr. M. Ct. M. Chidambaram Chettyar.

DEATH OF PRESIDENT ROOSEVELT.

THE HON. THE PRESIDENT : Hon. Members, you will perhaps remember that at the last Session we heard the sad news of the death of President Roosevelt of America. In this Council we expressed regret at his death and several members joined in paying tribute on that occasion. At the request of Hon. Members I had addressed Washington in this matter forwarding a copy of your Resolution. I have received a reply to that Resolution which I ought to read to you. It runs :—

"COPY

DEPARTMENT OF STATE,
WASHINGTON,
May, 19th, 1945.

DEAR MR. AHMAD,

I have been asked by Mr. Allen to acknowledge receipt of your letter of May 11, 1945, with which you enclosed a transcript of the proceedings in the Council of State on April 14, 1945, in connection with the death of President Roosevelt.

The Department would be grateful if the Agency General would convey to the Council of State the sincere appreciation of this Government for the kind remarks made on that occasion and for the generous action of the Council in adjourning out of respect for the late President.

Sincerely, yours,

(Sd.) LAMPTON BERRY,
Acting Chief,
Division of Middle Eastern Affairs.

Mr. M. Ahmad,
Second Secretary,
Indian Agency General,
2633 Sixteenth Street, N. W.
Washington, D. C."

CONGRATULATIONS TO RECIPIENTS OF HONOURS

THE HON. THE PRESIDENT: Hon. Members, you are aware that it has been a convention in this House to congratulate on behalf of the Council and also on my own behalf Hon. Members who have been fortunate in receiving honours. It is necessary to allude to this fact on this occasion because about 10 new members have joined to-day. I shall now proceed to refer to the recipients of honours.

You must have read with great pleasure that our old friend, the Finance Member of India, who left us only the other day, has obtained his G. C. I. E. You are all fully aware of the great services rendered by the late Finance Member and it is not necessary for me to dilate any further on this occasion. He was a great financier. Unfortunately during 4 years of his service he was confronted with this terrible war. His ability and zeals were available in an abundant measure in the performance of his duties when we were engaged in the great war which has now successfully ended.

Among the recipients of K. C. S. I. first comes the Leader of this House, the Hon. Sir Mahomed Usman. You are all aware of the excellent service he has rendered during the last four years as Leader of this House. His record of the great services he has rendered to the Madras Presidency is known to many of you, mostly the Madras Members of this Council. After rendering distinguished and meritorious services in the Madras Presidency he was transplanted to Delhi and here he has distinguished himself further by his activities of various kinds. I have no right whatever to speak about the work of his Department because I know nothing of that work but so far as his activities in the Council are concerned, and the general work which he has done as member for the last four years is concerned, I think he is entitled not only to our admiration but also to our congratulations. He is always straight forward and outspoken. He has never minced his words in this House and he has always expressed himself on every point and given his views with frankness and candour. The honour which he has received is a well-deserved honour in his case and I am sure you appreciate that it is an honour which was well conferred.

THE HON. SIR MAHOMED USMAN (Leader of the House): Thank you, Sir.

THE HON. THE PRESIDENT: The other Member is Sir Olaf Caroe. He was for a very short time in our House as you will remember. He was connected with the External Affairs Department of the Government of India and he came to our House and stayed here for a brief period, but during that time we were all impressed with his charming manners, his great ability and the pithy and concise way in which he used to put his case before this Council.

There are four Members of this House who got the distinction of K. C. I. E. in the last Honours List. The name of Sir Satyendra Nath Roy is too familiar to all of you. He is one of the cleverest Indian civilians as you must have all realised and he did his work with remarkable ability in this House. He was so hardworking that his health broke down and he had to take a long leave and is now in England. We are very glad that he is coming back to this country to occupy an important position very shortly and we shall have an opportunity of meeting him and renewing our acquaintance.

The next recipient of the honour of K. C. I. E. is Sir Eric Conran-Smith who was also in this Council for a long time. I think for a period of nearly 9 years and you will all appreciate that his belated honour, which has been conferred on him, was excellently deserved. (*Applause.*) He is a charming man who got on very well with the Indian Members of this House and the manner in which he performed his duties have extorted our admiration for him.

Sir Robert Hutchings and Sir Gurunath Bewoor have both been the recipients of K. C. I. E. They both richly deserved this distinction. Sir Gurunath Bewoor was for some years in this House while Mr. Hutchings was in this House for a very short time but he was a very energetic Secretary of the Food Department who rendered very valuable work not only to the Government of India but to the country at large.

But the honour which claims your special attention is the honour conferred on Sir Chandulal Trivedi who got the double honour. Three days before the Honours List was published it was announced that on account of his appointment to the gubernatorial office he was given a K. C. S. I. and in the Honours List his name

appeared as a Knight. He fully deserved the double honour and we are very glad to find that in the history of the Government of India for the last quarter of a century an Indian has for the second time been appointed as Governor of a Province. We all hope that his gubernatorial office will be a great success and that when he lays down the reins of his exalted office he will leave behind him a great name as a good Governor.

You are fully aware that Sir John Sargent, the Educational Adviser to the Government of India, was in this House for a very short time.

THE HON. MR. M. THIRUMALA ROW (Madras: Non-Muhammadan): I protest against the time of the House being taken up in reading a catalogue of all the title-holders who have nothing to do with this House. We do not attach such importance to their so-called services—

THE HON. THE PRESIDENT: You took a similar objection last year when you joined this Council. Will you please sit down. When the President is addressing the House a Member ought to sit down? You took a similar objection last year and I told you that a convention had grown in this House for the last 25 years to congratulate our brethren who received honours at the hands of Government. Your opinion may be different but the opinion shared generally by the Council is that it is a right thing to congratulate them.

THE HON. MR. M. THIRUMALA ROW: Are we to congratulate people who have never been members of this House? I don't think Sir John Sargent was a member of this House.

SOME HON. MEMBERS: He was.

THE HON. MR. M. THIRUMALA ROW: He may have been for a time but he has nothing to do with this House now and we dissociate ourselves from the remarks which you have been making about congratulating these people.

THE HON. THE PRESIDENT: That may be your opinion.

THE HON. MR. M. THIRUMALA ROW: I do represent a section of the opinion in this House.

THE HON. THE PRESIDENT: Sir John Sargent, as I was mentioning when I was disturbed by the Honourable Member, is a great educationist. He has done for this country a great deal and for the University of Delhi he has done remarkable work. We heartily congratulate him on his well-deserved honour.

Sir John Bartley belonged to the Legislative Department. Many of you know him but others do not. He was one of those men who have rendered great and valuable services to the Government of India behind the *purdah*. He was Secretary of this Council for some years. He was my Secretary also for some time. He is a great legal draftsman. The brunt of the work which is performed in the Assembly and in the Council of State falls on him. He has been doing that work for the last twenty years so efficiently, so ably and so thoroughly that he is not only highly respected in this House but he has earned the respect of people outside this House. You know what the legal draftsman is supposed to do. He has not only to have at his fingertips all the sections of the Government of India Act, which is a most complicated Act, but he has to advise the Departments on matters of drafting, and when any question of drafting arises in the Assembly, and more especially in the Council of State, his services are always requisitioned. The honour done to him is most well-deserved. He is about to retire from service. I can only say on your behalf that we are all very pleased that he has received this great honour, and we trust that he will live to enjoy that honour for many, many years in his own country.

12 NOON

Sir K. W. Mealing belongs to the firm of Andrew Yule. He was in our House for a couple of years, and you all know the good work that he has done.

Among the C. S. I.'s, Mr. Tyson is our old friend, and he deserves the honour conferred upon him. Mr. Arthur Williams name again deserves special mention. He belonged to our Department. He was Secretary to this Council. He was my Secretary also, and he did very good work. He is now doing excellent work in Bengal where he occupies a high position. You are fully aware of the work which our friend

Sir Geoffrey Bozman rendered to this House. He was a very energetic Secretary; I think he was Secretary of the Commonwealth Relations Department for many years and rendered very good services in that Department. The services of Mr. Rabindra Nath Bannerjee have also received the recognition to which he is entitled. He comes from my Province of the Central Provinces where he held important posts for many years and rendered valuable services to that Province. Since then he has come to the Government of India and is the Secretary of our friend the Honourable Dr. Khare. As you all know, in these critical times he has discharged his duties very faithfully.

Among the C. I. E.'s is our young friend Mr. Khurshid Ali Khan. He has been a member of this House for some years. I am glad that he is following in the footsteps of his revered father Sir Zulfiqar Ali Khan who was a nominated member of the old Assembly and also of this supreme Council for some time. We congratulate Mr. Khurshid Ali Khan. The other gentlemen who have received this honour are Mr. Hiralal Patel, Joint Secretary to the Government of India, and Mr. Mason, also Joint Secretary to the Government of India, who have rendered valuable services in this House.

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 Budget Session, 1945, namely :—

(1) The Indian Tea Control (Amendment) Act, 1945.

(2) The Code of Criminal Procedure (Amendment) Act, 1945.

(3) The Factories (Amendment) Act, 1945.

(4) The Indian Companies (Amendment) Act, 1945.

(5) The Indian Merchandise Marks (Amendment) Supplementary Act, 1945.

(6) The Repealing and Amending Act, 1945.

(7) The Indian Army (Amendment) Act, 1945.

(8) The Indian Air Force (Amendment) Act, 1945.

(9) The Indian Patents and Designs (Amendment) Act, 1945.

(10) The Mines Maternity Benefit (Amendment) Act, 1945.

(11) The Aligarh Muslim University (Amendment) Act, 1945.

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 8th, 13th and 14th February, 1946, namely :—

A Bill further to amend the Workmen's Compensation Act, 1923.

A Bill further to amend the Indian Mines Act, 1923.

A Bill further to amend the Code of Criminal Procedure, 1898.

A Bill further to amend the Code of Criminal Procedure, 1898 (Second Amendment).

A Bill to amend the Professions Tax Limitation Act, 1941.

EXPRESSIONS OF REGRET ON THE DEATH OF CERTAIN HONOURABLE MEMBERS

THE HON. THE PRESIDENT: Hon. Members, it is now my melancholy duty to refer to the deaths of two or three of our very, very good members. I do not know whether the Hon. Mr. Thirumala Row will object to that. Again, I would refer to his own remarks. I am referring to elected members of this House who

died, who during their lifetime, while members of this House, rendered valuable services to the country and whose loss we all mourn. The first and foremost of them is our old friend Rai Bahadur Lala Ram Saran Das. Many of you are aware of his great services. For a quarter of a century he was a member of this House and also of the Imperial Legislative Assembly—a man who spared his time at great sacrifice to do service to the country through this House. He was the Leader of the opposition and the Progressive Party for many years and we all came in contact with him, and every year that passed we came to admire him more and more and to respect him not only for his sobriety of views but the great moderation with which he dealt with important and significant matters. Even when opposing the Government's policy on many occasions he commanded the highest possible respect from all of us. We are very sorry that the hand of death has cut him off at a time when his services were greatly needed in this House. If he had lived at this juncture, he would have been a most valuable friend of the country, and I am sure we all regret his death. The only redeeming feature of this sad loss is that his son, Mr. Rup Chand, has come to this House as an elected member. I hope he will follow in the footsteps of his revered father and earn the same reputation and make the same valuable contribution as his father had done in this House.

Another member of the Progressive Party, who made very short speeches, and who did very good work in his own way, is no more with us : I refer to the late Kumar Nripendra Narayan Sinha of Nashipur. He was a very quiet, unassuming figure ; he never spoke at length, but when he did speak, he spoke with emphasis and to the point, and dealt with matters which were very important and significant. We all regret his death.

Another member, who belonged to the Congress Party, and who rendered very good services during the time he was here, is also no more. Mr. Narayandas Girdhardas was a very honest man who spoke according to his convictions. He did not refrain from speaking on any matter even though it was a bad subject or an unpalatable subject. On account of his moderation and his integrity and courtesy he was respected, and we mourn his death.

THE HON. SIR MAHOMED USMAN (Leader of the House) : Sir, on behalf of Government I beg to associate myself with all that you have said in connection with the loss which this House has suffered by the deaths of the three gentlemen whom you mentioned ; and the remarks which you made about the late Leader of the Opposition, Rai Bahadur Lala Ram Saran Das bring to my mind the kindness with which he used to speak to all members and the way in which he took part in the debates in this House. He was a great gentleman, and we are all extremely sorry that this House has lost his services. Similarly, we have lost the services of the other two gentlemen who were respected members of this House, and on behalf of Government I beg to associate myself with all that you have said.

THE HON. SIR DAVID DEVADOSS (Nominated Non-Official) : With your permission, Sir, I should like to add my tribute to the memory of the three members of this House. With regard to Rai Bahadur Lala Ram Saran Das, I had known him ever since I became a member of this House—for the last 15 or 16 years. One remarkable thing was his extreme simplicity. A man of immense wealth, he used his wealth for the good of the country. Sir, he was a charming host. I believe there are very few here who have not enjoyed his hospitality. As regards his work in the Council, you have expressed very great appreciation and I did really admire him as the official Leader of the Opposition in this House. No doubt he was the Leader of the Progressive Party, as it was called, but practically he was in the Opposition. Sir, we all regret his death He has been cut off at a time when his services would be greatly in need. If he had lived, probably in this time of trouble and stress, his advice would be very valuable.

As regards the other Members, Mr. Sinha, as you have expressed, Sir, was a very simple man. Though he belonged to a very good family and was a big Zamindar, he was very careful in what he said.

As regards Mr. Narayandas Girdhardas, I have known him since he was a little boy. He belonged to a very good banking family in Madras, probably one of the richest some time ago, and he was a very quiet man and he did his work very well. Unfortunately, his health was very bad and he was not able to attend the Council meetings as often as he would have liked to. We are all very sorry and we would request you to convey our condolences to the members of the families of the deceased.

THE HON. PANDIT HIRDAY NATH KUNZRU (Unitd Provinces Northern: Non-Muhammdan): Mr. President, the death of the three Members to whom you have referred is a great loss to us. Every one here will agree with you in the opinion that you have expressed about the Leader of my Party, the late Lala Ram Saran Das. He was a man of wide business interests. Many men in his position would have found it extremely difficult to attend to any public business. But during the 25 years that he was a Member of this House he gave freely of his time and energy to public work and to the business of this House. Since I knew him as a Member of this House, I think I can say there was no important occasion on which he was not present. His knowlodgo of such intricate questions as finance, currency, tariff and so on was such as to enable him to make a contribution to the discussion of those subjects in the House. He was perhaps the best informed man on those subjects in the House and it is indeed a great loss to this House that his life should have ended so soon. He was, apart from his interests in public work and his knowledge of the questions I have referred to, a man of great modesty and charm of manners. I am sure that he had no enemy. His absence from the House was always noticed and his presence here was welcomed by all sections. I hope, Sir, that you will be good enough to convey our condolences to his family.

As regards Maharaj Kumar Nripendra Narain Sinha, he was a valued member of the House and a man who had won the goodwill of all members of the House. He could not claim to have a deep knowledge of questions like Railway Finance or General Finance, but he was genuinely interested in all that concerned the welfare of the ordinarhy man. There was perhaps no occasion which he did not utilise in order to voice his opinion on this subject. He was modest and courteous and endeared himself to all those, both in this House and outside, who had an opportunity of meeting him.

As regards Mr. Narayandas Girdhardas, his health did not permit him to attend this House often. But from the very first day that he attended this House I think I can say with absolute certainty that he won the goodwill and respect of all Members. One could wish that his health and private circumstances had enabled him to be present here more frequently. But, unfortunately, this was not to be, and the illness which compelled him to be frequently absent from this House at last ended his life a few days ago.

Sir, the occasion is a very sad one. The loss of three such Members as those whose death we mourn is not an ordinary thing and when we consider how devoted and public-spirited these Members were, we cannot but deeply regret, both on our own behalf personally and on behalf of the House, that they should have been snatched away from us.

THE HON. MR. M. N. DALAL (Bombay: Non-Muhammadan): Mrr President, I join in the well-deserved tribute you have paid in such felicitous terms to our departed Leader of the Opposition. It is needless for me to recount at great length the service he has rendered to this Hon'ble House, as it is yet fresh in our memory. He won the esteem of all sections of this House and in the death of this veteran leader we have lost his shrewed and sagacious counsel, as a business man, which will be deeply missed. I suggest, Sir, that this condolence resolution, expressing our sympathy and deep sense of sorrow, be forwarded to his bereaved family.

I also, Sir, pay a tribute to the late Kumar Nripendra Narain Sinha of Nashipur. His sudden, sad and untimely demise has come as a shock to many of us. It is a strange irony of fate that so youthful and promising a career should be cut off in the midstream of life. He was a man of a generous and sympathetic temperament and as an ardurous debater his sincerety and enthusiasm were remarkable.

Sir, I associate myself also with what previous speakers have said on the death of Mr. Narayandas Girdhardas. Mr. Narayandas Girdhardas's unostentatious and unassuming manners and character scarcely made him a debater, but he was a very shrewed and experienced business-man and took a keen interest in our debates. He had not been keeping good health for a considerable length of time and had not been able to attend the Sessions of this House ; but his genial manners had endeared him to those with whom he came in contact. I suggest that these three condolence resolutions be sent to the bereaved families of the deceased.

THE HON. MR. G. S. MOTILAL (Bombay : Non-Muhammadan) : Sir, it is so sad that since we dispersed in April of the preceding year we have lost for ever three of our esteemed colleagues. The hand of death has taken a heavy toll and the House regrets the death of these three valuable members. We are now deprived of their services. Rai Bahadur Ram Saran Das, who was respected by every member of this House is no more with us. Kumar Sinha is not in our midst today. Mr. Narayandas Girdhardas has also departed. I would first of all add my tribute to the memory of the late-lamented Rai Bahadur Lala Ram Saran Das. He was a man of many parts and he was one of those business magnates who did give his time and energy not only to business activities but also equally to public activities and to the service of the country. He combined in himself an exemplary modesty with remarkable ability and he was endowed with a sagacity of judgment and an active mind. There are few who could equal his industry. As you said, Sir, he has been in this House serving the interest of his country for not less than 25 years, and ever since I came to this House I have observed that he took a very keen interest and made very valuble contributions to the proceedings of this House. We all deplore his death.

Sir, I next refer to the death of my young friend, Kumar Sinha. He was a man of sound common sense. He did not speak very frequently, but whenever he spoke, he spoke to the point and he was full of substance. He was a man of charming manners and he ever won very good opinion of the members of this House.

Last but not the least, Mr. Narayandas Girdhardas. He was a prominent business-man of Madras. He was elected in the year 1936 and was a member of this House all these years. The first few years he attended this Council, but later on his health did not permit him to do the strenuous work which was required in the Council. In spite of that whenever he spoke and whatever contributions he made, it was always to the profit of the House.

We all grieve their deaths and we sincerely condole with the members of their families. The expression of sorrow, which you will now transmit to the members of the family, has our fullest support.

*THE HON. SAIYED MOHAMED PADSHAH SAHIB BAHADUR (Madras : Muhammadan) : Sir, I join in the well-deserved tribute which has been paid to the memory of three of our esteemed colleagues who have recently departed. As has been rightly observed by you and other Hon. Members who preceded me, their death has really caused a very great loss not only to this House but to the country at large. Lala Ram Saran Das was one of those distinguished sons of our country who commanded not only respect but even love throughout the length and breadth of our land. His genial disposition, his sauvity of manners, and his broadmindedness won the respect of every section of this House. One remarkable thing about him was that he was one of the biggest business-men and a great financier and he could easily have taken his time very easy. He realised the duty he owed to society, the duty which he owed to his motherland, and realising these he found time in the midst of his multifarious preoccupations to devote to public life. During all the years that he was a member of this House, until the time that his health became indifferent and made it difficult for him to attend to the business of this House, he was one of those who were very regular in attending the House. As you have rightly observed, his contributions to the debates in this Hon. House have always been very valuable ; especially his criticism of the Budget in this House was always intelligent and highly helpful. Lala Ram Saran Das's desire to know men and things impelled him, in spite of his numerous engagements, to undertake long and distant travels. He was

*Not Corrected by the Hon. Member.

one of those who went to Europe and as far away as Norway to see the conditions there. His desire to know things made him study not only his own religion but also all the various other religions in the land. His appreciation of the good things about all the various religions in this country gave him a catholicity of mind which made him very popular and respected. It is very unfortunate that at this time, when people of that breadth of view are required, that Lala Ram Saran Das has been snatched away from us. His death, I feel, is a real loss to Hon. Members of this House.

Sir, I also associate myself with the tribute which has been paid to the memory of our young and charming friend, Maharajkumar of Nashipur. He was really a man of very pleasant manners.

Sir, one thing very remarkable about him was that though he came of an aristocratic family he showed his solicitude and took keen interest in the welfare of the people. His death too has caused a grievous loss not only to this House but to the country.

Sir, we are very sorry, especially those who come from Madras for the loss of our esteemed friend, Mr. Narayandas Girdhardas. Even though his health did not permit him to attend this House regularly the few occasions on which he put in his appearances in this House had made him very popular with the members of this House. He was one of the leading business-men and a very highly respected citizen in Madras.

We all sincerely and deeply mourn the loss of all these three esteemed friends and I request you, Sir, on behalf of my Party that you would convey our condolence to the members of the bereaved families.

THE HON. SIR BUTA SINGH (Punjab, Sikh): I also wish to associate myself with the tributes that have been paid to the memory of the three Members we have lost. The Hon. Lala Ram Saran Das was the oldest and a very respected Member of this House. His great services to the country are known to all the Members. On personal grounds I may say that he was a friend of my father and he extended that friendship to me in the same way. We in the Punjab deplore his death very deeply. I would also request you, Sir, that a message of condolence may be sent to the members of his family.

BRIGADIER THE HON. SIR HISSAMUDDIN BAHADUR (Nominated Non-official): Sir, I associate myself with what has been said.

THE HON. MR. KHURSHID ALI KHAN (Nominated Non-official): I also wish to associate myself with what has been said by other Honourable Members.

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS (East Bengal: Non-Muhammadan): As one coming from Bengal I wish to associate myself with what has been said in this House in connection with the unfortunate death of these three illustrious gentlemen who contributed much to the proceedings of this Council. The Honourable Lala Ram Saran Das had qualities not merely of head but also of heart. He endeared himself with every Member with whom he came into contact.

As to the Hon. Maharajkumar Nripendra Narayan Sinha, although brought up with a silver spoon in his mouth he had the moral courage to criticize the administration of the Government. During the last food debate he had the moral courage to criticize the policy of the Bengal administration in the matter of the procurement of the food grains.

As to Mr. Narayandas Girdhardas, he was a very acute business-man. He lost everything because of his being too honest. He could have saved his fortune if he could tell lies, but he was more an honest than a business-man.

THE HON. MR. M. THIRUMALA ROW (Madras: Non-Muhammadan): I associate myself entirely with the remarks that have fallen from the Chair as well as from other Members of this House. I am not less human than anybody not to feel the wrench that death has caused among our ranks. Rai Bahadur Ram Saran Das

was a man full of years and honours and for him when looking back upon his life he might not have got any regrets. He lived a full life and death has come at a moment which is unfortunate for the country and as such we all mourn his loss.

My friend Kumar Nripendra Narayan Sinha was my neighbour last time and he was one of fine young men who had hopes for his country and also the means of serving and his life has been cut short by the cruel hand of death.

I had intimate relations for more than 15 years with my late lamented colleague and friend Mr. Narayandas Girdhardas. He was really a man who suffered for his opinions. His health broke down because of financial and business undertakings. He had spent all his fortune to investigate the mineral resources of his country and had gathered one of the finest libraries in India which gives inavaluable information about the mineral wealth of India. He wanted to strike some gold mines in the Mysore area. He lost all his wealth and in his place some foreign company is now working it up.

I associate myself entirely with the feelings expressed in this House and request the Chair to convey the feelings of this House to the bereaved families.

THE HON. MR. SURPUT SINGH (West Bengal Non-Muhammadan) : Sir, I must thank you for giving me this opportunity of joining in the tribute that is being paid in this House today to the memory of Lala Ram Saran Das, Maharajkumar Nripendra Narayan Sinha of Nashipur and Mr. Narayandas Girdhardas.

Sir, Maharajkumar Nripendra Narayan Sinha of Nashipur and I belong to the same district and having lived within a few miles of each other for generations I had the privilege of claiming his friendship for a considerable number of years. From 1930, when he first came to this House as an elected Member from the same constituency from which I have the honour to come in the bye-election caused by his premature end, our friendship deepened into close intimacy. His life had been one of many-sided activities.

Second son of the Maharaja Ranajit Singh Bahadur of Nashipur, the Maharajkumar graduated from the Presidency College, Calcutta, quite early in life and slowly entered public life. He had been a Chairman of the Murshidabad Municipality and of the Local Board, Lalbagh, Murshidabad ; a member of the District Board of Murshidabad and an Honorary Magistrate of the Lalbagh Independent Bench. He was also a member of a number of public bodies and institutions. He served as a member of the Joint Select Committee of the Reserve Bank Bill in Delhi and had been a Whip and an Honorary Treasurer of the Progressive Party in this House. Latterly he evinced great interest in business and company matters and came to be connected as Director with several oil and sugar mills in the United Provinces where he made many valued friends in life. Although born in an aristocratic family with very old traditions, his conduct and character were beyond cavil and reproach. In manners affable and gentle and in bearing dignified, he was a man with considerable public spirit and ardent patriotism with none of the pomp, hauteur and aloofness so prevalent in the class to which he belonged. Although he had considerable landed interests in the Province of Bengal he never cared for official frown or favour and that accounts for his being returned to this Council over and over again. During the fifteen years he had been a member of this House he invariably espoused national and popular causes.

This House in particular has lost in him a Member who gave promise of a big future and our Province generally a man with genuine public spirit. We, his friends, deeply mourn his quite unexpected death from a sudden heart-attack in Calcutta when there were very few of his nearest and dearest beside him.

I also associate myself wholeheartedly with what the Hon. Members have said and I express my deep condolences at the death of those Hon. Members.

THE HON. THE PRESIDENT : I will convey the condolences of the House to the bereaved families.

PRESENTATION OF THE RAILWAY BUDGET, 1946-47

THE HON. SIR ARTHUR GRIFFIN (Chief Commissioner of Railways) : SIR, I have the honour to present the statement of estimated revenue and expenditure in respect of Indian Railways for the coming year.

Past Year

2. The past year has been notable for the termination of actual hostilities and, as I think Honourable Members will appreciate, it will mark the end of a series of Railway Budgets of a magnitude, on the Revenue side certainly, unequalled in the history of Indian Railways. The termination of hostilities has not, however, yet had any appreciable effect on the burden imposed on the Railways. Indeed, whilst the early portion of the year registered what was probably a peak load, there followed the mounting of the planned operations, and so far as railway transport was concerned the demands made were not affected by the abrupt termination of the actual fighting. The same problems which have been mentioned in past Railway Budget speeches were present with us in much the same intensity, and once again nature, though less unkind than in some previous years, lent a hand in making things still more difficult. The Bombay, Baroda and Central India Railway was badly breached in five places on the main broad gauge line owing to flooding from the Tapti River, and through communication was severed for a maximum of 18 days, and serious restrictions were necessary afterwards.

Coal

3. The supply of coal to the Railways was, and still is, an ever present anxiety. Honourable Members will recollect that this time last year I pointed out that stocks on Railways had fallen to a dangerously low level. With some improvement in raisings a more adequate level was reached last June. Unfortunately, owing to shortage of labour in the coalfields this improvement was not maintained and it was not until October last that stocks began to recover. Since then the seasonal exodus from the coalfields, aggravated later by a most unfortunate outbreak of sickness in an unprecedented degree amongst running staff of the East Indian Railway, resulted in raisings dropping and despatches falling into arrears. The latter were also adversely affected by shortage of coastal shipping. Stocks therefore are again at a seriously low level. I look for a considerable improvement in the early future, not only in Railway supplies but in supplies to the country generally.

The Railways have for some years been conducting a vigorous campaign for economy in fuel and Honourable Members may be interested to know that a comparison of operating figures of 1943-44 and 1944-45 discloses that the reduced consumption in pounds per thousand gross ton miles in the latter year was equivalent to a saving of about 300,000 tons.

Improvement in Services

4. With the end of hostilities and with the anticipation of an easing of the exceptional military demands, and despite the great load still carried, early steps were taken to afford some relief to the travelling public, whose forbearance under difficult conditions of travel has more than once been acknowledged with gratitude by the Railway Board and Railway Administrations.

In the autumn a considerable number of passenger services which had previously to be eliminated were restored. More has been done with effect from the 1st January and efforts will be made to get back to something approaching pre-war timings, but, unfortunately, this will largely depend on Railways obtaining greater quantities of the better qualities of coal, the prospects of which are not very promising. Appeals have been made for more to be done and I can assure Honourable Members that every effort will be made to augment and improve the existing services. The Railways are as anxious as the public to see a complete restoration of curtailed services, but they are still handicapped by lack of coaching stock, so much of which is still necessary for the exclusive use of the Army. A programme for the return to normal use of such stock has been prepared and we shall press for this to be observed or

improved. But there is a very important consideration not to be forgotten. During the war, though every effort has been made to avoid arrears of maintenance, with a considerable measure of success in some directions, it was found impracticable to carry out full repairs and reconditioning to much of the coaching stock for two main reasons, the first being the imperative need to keep as much as possible in actual use, and the other, shortage of materials. The result of this is that coaching stock when returned has to receive comprehensive repair, and in some cases modification involving almost complete rebuilding. There is an interval therefore, befor returned stock is available for normal use, and even then it may only replace other stock which has to be called in for repairs.

Steps have also been taken to relax many of the restrictions on the movement of goods traffic and the process is being continued, conditioned only by the need for synchronising relaxation and reversion to normal trading with increasing availability of railway resources as a result of new equipment and with reduction of the military load and other priority movements.

Rolling Stock

5. As regards new equipment, in past budget speeches the supply of additional rolling stock and locomotives has been fully dealt with and last year especially was this the case when the methods proposed for financing these unusual purchases—unusual in both quantity and cost—were approved. Over this present financial year we expect to have received 11,200 broad gauge wagons and 462 broad gauge locomotives from overseas and 7,726 broad gauge wagons from Indian manufacturers, and the balance remaining to arrive in the country from April next is 8,190 wagons and 111 locomotives. Action was taken to cancel a portion of the demands for wagons from the U. S. A. which were being supplied under Lend Lease.

As soon as we can get all this new equipment into operation one hopes to see a still further appreciable easing in the wagon position and an early reversion to free movement unencumbered with priority movements other than perhaps such as are essential for food supplies, coal, etc.

6. I now turn to the accounts themselves and deal first with the accounts for 1944-45. This time last year, I estimated that the year would close with a surplus of 42·01 crores. As a result of an improvement of 2·08 crores in gross traffic receipts, a saving of 5·22 crores in working expenses, an improvement of 23 lakhs in net miscellaneous receipts and a reduction of 36 lakhs in interest charges, the actual surplus for the year turned out to be 49·89 crores, an improvement of 7 88 crores. While the improvement in gross traffic receipts was real, the saving in working expenses was mainly due to a throw-forward to the following year. Out of the realised surplus, 32 crores were paid to General Revenues and 17 89 crores to Railway Reserve. The net increase in the Railway Reserve was, however, only 14 93 crores as there was a withdrawal of 2·96 crores to meet arrears of depreciation in respect of rolling stock.

Revised Estimate for 1945-46

7. As to the revised estimate for 1945-46, the estimate of receipts was originally placed at 220 crores. While our goods earnings may not appreciably differ from our budget estimte we expect a large increase in our passenger earnings, and as a matter of interest, those from upper class traffic are expected to show a much larger proportionate increase (35 per cent.) than those from III class (14 per cent.). We expect, however, a considerable fall under " other coaching traffic " due to less parcels traffic. Under " Sundries " we anticipate an increase of about a crore and a half. Our present estimate of gross traffic receipts is 225 crores, and adding 3 73 crores for " Net Miscellaneous Receipts " the total receipts will be 228 73 crores.

On the expenditure side, we expect an increase over the budget of 9 26 crores in Ordinary Working Expenses and of 24 lakhs in Payment to Worked Lines, and a decrease of 7 lakhs in the Appropriation to the Depreciation Fund, so that our revised estimate of total Working Expenses including Depreciation and Payment to Worked Lines is 169·30 crores, against the original budget of 159 87 crores.

The net Revenue is therefore 59·43 crores, 4·47 crores less than the original budget. After deducting therefrom interest charges amounting to 27·36 crores, 3 lakhs less than the original budget, we have a surplus of 32·07 crores, which is 4·44 crores less than the budget.

In explanation of the variations in the Budget, the special adjustments on account of rolling stock are 6·16 crores less, but there is an increase, mainly due to a throw-forward from 1944-45 which we did not budget for, of 1·84 crores on account of military sidings and inflationary element in the Works expenditure. The adjustment on account of the cost of dismantled lines and abandoned assets is about 2 lakhs less, while we have to make a provision of 1·62 crores, which we may have to pay to the War Department on account of interest and depreciation on the Works built at their cost on the Lines of Communication, mostly in the north-east, and on account of hire of metre gauge rolling stock belonging to that department and used by railways. Expenditure on the Defence of India Units will be 76 lakhs less than the budget due to their disbandment from 1st December 1945 and there is a saving of 31 lakhs in Air Raid Precautions. Maintenance expenditure will be 2·45 crores more, expenditure on coal including freight 2·03 crores more and on additional staff 1·32 crores more than the budget. The expenditure on compensation claims is expected to be 79 lakhs more. The expenditure on freight on fuel has increased because some coal has had to be sent by sea. Dearness Allowance will cost 4·21 crores more, while we estimate loss on the working of Grain Shops at 1·68 crores more than the budget.

Review of War Years

8. Having reviewed the main events of the passing year and before I pass on to the estimates for 1946-47, though our eyes are naturally turned to the future and interest is concentrated on prospective development, it is not, I feel, inappropriate, as this is the last of the Railway war budgets, to make a rapid, though necessarily very incomplete, survey of the part the Railways have played in the crisis now fortunately past, and to reveal some of the things which had for security and other reasons to be kept somewhat of a secret, and to summarise the results on the financial structure of the Railways.

9. The contribution of the Railways to the combined war effort may be divided into several phases and though these merged into one another, each presented a series of intricate problems, the solution of which called for the exercise of great application and initiative. In the early stages of the war the call was to help others. All resources available were put at the disposal of the Army and others responsible for producing war like equipment. Some workshops were specially allocated and others expanded their activities to undertake this work. Over 20,000 men were at one time employed by the Railways solely for this purpose, a figure which curiously enough is almost the same as that of British Railways' staff employed on the production of armaments. The items produced ranged from armoured vehicles, shells, grenades, bayonets, wireless masts, pontoons to cooking ovens, lorry bodies, clothing and an almost innumerable variety of other essential war requirements, components etc. I would mention a few of the high-lights of the production efforts. Over 2 million shells and armour-piercing shots of various kinds, about 2¼ million hand grenades and over 2 million fuses, 120,000 mortar bomb castings, 2,500 land mines and nearly 3,000 bodies for army vehicles. 25 ambulance trains were turned out of which 17 were air-conditioned. One Railway produced over 5½ million garments for the Army and 820 pontoons for bridging. Nearly 800 aircraft engines were repaired and reconditioned, while hundreds of wooden and metal propellers were manufactured. These are a few only of the thousands of items produced. And in addition, the tool rooms of the railway workshops were busy in providing not only the tools and gauges required by these workshops, but those required by outside concerns and ordnance factories. Many of these precision tools and gauges required the highest standard of workmanship. Amongst equipment despatched overseas were 8 per cent. of the metre gauge locomotives and 15 per cent. of the metre gauge wagon stock. Broad gauge stock was converted to the standard gauge and similarly released. Some of these supplies have since been returned, but much will not come back. Some 4,000 miles of track and over 4 million sleepers were absorbed for overseas or for military

requirements in India. Over 280 officers and 5,000 other technical personnel were released for war service which of itself threw an additional burden on the administrative, executive and supervisory staff left behind.

10. Later, there followed the beginning of the many swings of traffic to the West, to the North, and later to the East and South. The initial German threat to the Caucasus involved the re-opening of the railway connexion into Persia, a problem of considerable complexity. These major swings of traffic in unusual directions and over ill-equipped routes and *via* transhipment points not previously equipped for heavy traffic, coupled with the loss of coastal shipping, entailed the solution of a continuous sequence of involved problems in the distribution of power, rolling stock and personnel and investigations into the capacities of and improvements to many routes.

11. During the whole period, the load imposed on Railways steadily increased ; not only the load directly connected with the war effort but of civil traffic, more particularly in respect of passengers. As evidence of this increased load, the passengers carried increased from 513 million in 1938-39 to 891 million in 1944-45, an increase of nearly 74 per cent., and this *excludes* military personnel travelling by military special trains. As a measure of work done, passenger miles this financial year are 123 per cent. more than in 1938-39. The tons of freight increased from 115 million to 132, an increase of about 15 per cent. and the net ton miles increased 30 per cent. but, and this is important, this excludes all tonnage moved in military specials. Over the last calendar year no less than 1,269 military specials of all sorts were run per month compared with 29 per month in pre-war years.

The shortage of equipment for such intensity of traffic and the inability to increase it at anything like an adequate rate meant that Railways were thrown back on their own resources and a drive for greater efficiency had relentlessly to be pursued.

The opening up of the Assam L. of C. was a phase in itself. Single line sections of the metre gauge designed and equipped to deal with three or four trains a day, had to be worked up to sustain a continuous flow in each direction of four to five times this number. The tonnage moved over the Assam and East Bengal Ls. of C. rose from 75,500 tons in January 1944 to 456,000 tons in April 1945. The Railway L. of C. met in full the demands made.

The final swing in movements came as a result of the mounting and maintenance of the forces of S.E.A.C. This demanded not only intense and carefully regulated movements to the West, but the development of the Railways serving the East Coast Ports and the construction of several new Bases, including that at Avadi, near Madras, reputed to be the largest Base of its kind in the Empire during the war.

Review of wartime Railway Finance

12. This intense load over all these years has been reflected in both the revenue and expenditure statements which have been put before Honourable Members each year ; but I would summarise the results. In the first year of the war our gross traffic receipts came to 102·73 crores. Since then they have shown a continuous rise to the peak of the current year with 225 crores. Ordinary working expenses in 1939-40 were 54·77 crores compared with 119·52 crores for this year, after leaving out the special adjustments amounting to 30·39 crores on account of the special procedure adopted for the allocation of the cost of rolling stock and structural works described by me to the House in my last year's speech, and omitting the premium paid on the purchase of branch lines and write-off of the cost of dismantled lines and abandoned works. While our surplus in 1939-40 was only 4·33 crores, it reached in 1943-44 the figure of 50·84 crores. Last year it was 49·89 crores, and in 1945-46, as I have indicated, we expect the surplus to be 32·07 crores. Before the war we were in arrears regarding the payment of contribution to the General Revenues to the extent of 35·41 crores. We also owed to the Depreciation Fund 30·29 crores. At the end of 1945-46, we shall not only have repaid our loans from the Depreciation Fund, but also paid to General Revenues a sum of 12·302 crores *plus* 35·41 crores,

the arrears of contribution, and borne the loss on strategic lines amounting to 6·01 crores. In addition, we shall have in the Railway Reserve, which in 1939-40 had only a paltry sum of 48 lakhs, an accumulation of 29·05 crores.

13. These, Sir, are impressive figures. But with the termination of the war our Receipts are likely to drop considerably. In fact, anticipating what I shall say in a moment about next year's estimates, we are placing our estimate for 1946-47 at 48 crores less than this year's revised estimate, and it is probable that there may be a further drop in 1947-48. The Working Expenses in 1945-46 include 13·85 crores on account of Dearness Allowance and 12·96 crores on account of loss on Grain Shops, and a sum of about 1½ crores on account of Defence of India Units. The only saving we can safely expect in the immediate future is in respect of the Defence of India Units which have now been disbanded. We hope the loss on Grain Shops next year will be less than this year, and if there is a further and steady fall in prices this item of expenditure may in the course of a few years disappear. Our fuel bill, excluding freight, has gone up from 2·83 crores in 1939-40 to 12·12 crores in 1945-46. There is little likelihood in the near future of any appreciable saving in our coal bill, and it is significant to note that the various cesses on coal payable by the Railways now equal about 50% of the total cost of coal excluding freight in 1939-40. Thus the financial prospect before the railways in the years to come is vastly different from what we have become accustomed to see over six years of war. Whereas we must be prepared for a fall in our earnings, our Working Expenses may persist not far from their present level for some considerable time.

There is a feature in this review of wartime finance which I should mention as it is a relief to the somewhat gloomy picture I have just painted, and that is the purchase of all the major railway systems which were under Company management before, together with seven branch lines. As a result of this, our payments on account of surplus profits to railway Companies, which amounted to a core of rupees in 1944-45, have practically ceased from this year, while payments to worked lines will have been considerably reduced. In spite of these large purchases our interest payments, due mainly to a continuous fall in the rate of interest, have gone down from 29·11 crores in 1939-40 to 27·36 crores in 1945-46. I may say that in the year 1939-40 payments to worked lines were 2·57 crores while in the year 1945-46, when the gross traffic receipts will be about 120% higher, the payments to worked lines are estimted at 2·34 crores only.

Estimates for 1946-47

14. I now pass on, Sir, to the Estimates for 1946-47. Basing our estimates of revenue on this year's results and, after allowing for the sharp decline expected in military traffic and for the possible growth of road services, we place our estimate for the next year at 177 crores, which is 48 crores less than the gross traffic receipts expected this year. In addition we expect a net revenue of 3·14 crores from miscellaneous transactions.

In estimating ordinary working expenses in 1946-47, we have to deduct from this year's estimate 19·72 crores on account of the reduction in the special adjustments for rolling stock, military sidings and structural works, for the write-off of the cost of dismantled lines and abandoned assets and for hire charges payable to the War Department. We have provided 54 lakhs less under repairs and 44 lakhs less under compensation claims. We expect to save 1 56 crores under Defence of India Units and 1 63 crores under grain shops. These and other minor savings aggregate 24 66 crores. We hope to stop sending coal by sea in the course of the year, with a result ant direct saving, but this will be absorbed in railway freight as we must build up the depleted stocks. We hope to spend 48 lakhs more on new minor works, and under this head about 17 lakhs and 12 lakhs are on account of amenities for the public and staff respectively. After making these adjustments in the estimates for the current year, we place our estimate of ordinary working expenses for the next year at 125·73 crores. The appropriation to the Depreciation Fund will be reduced by 4 crores due to ceasing the additional contribution for excessive wartime wear

and tear, but there will be an increase of 17 lakhs on account of the increase in the Capital-at-charge. Payments to worked lines will be 61 lakhs less while our interest charges will be 12 lakhs less. We expect the year's surplus to be only 12·22 crores, 19·85 crores less than in the current year.

Betterment Fund

15. We have anxiously considered the most appropriate method of financing the extensive programme we have planned of such additions and improvements to our assets, including amenities to the public and the staff, as may not bring in additional revenue or prove expenditure-saving. According to the procedure hitherto in force, such expenditure would be charged to Capital, thereby imposing on the railways a permanent and increasing liability for interest charges without bringing any return. This is opposed to the best railway practice the world over and has been disapproved by most of the leading authorities on Railways, who hold that betterments which do not increase the revenue earning capacity of railways should be paid for out of Revenue and not out of Capital. After careful consideration, Government have accepted the soundness of this view, and to enable the Railway Board to plan their programme of such works have decided to institute a Betterment Fund. This would also be in accordance with the views expressed by the Railway Standing Finance Committee when they considered the Railway Budget for the current year.

Both appropriation to and expenditure from the Betterment Fund will be subject to the vote of the Legislature. It is proposed to start this Fund by transferring a sum of Rs. 12 crores from the Railway Reserve Fund and a sum of Rs. 3 crores by appropriation from the net revenue of 1946-47.

There will be no hard and fast rule as to the amount to be appropriated to the fund in any year, and subsequent appropriation will depend on the net revenue of the year and on a consideration of the respective needs of the Railways and of General Revenues, subject, of course, to the convention which may hereafter be adopted for the distribution of surpluses between Railways and General Revenues.

No estimate of the expenditure from the Fund next year has yet been made, as there has been no time to examine the works programme in the light of the new decision, or to work out the changes in the present rules of allocation.

Division of Surplus

16. This time last year the estimate of the surplus for 1944-45 was 42·01 crores, out of which 32 crores were to go to General Revenues and 10·01 crores to Railway Reserve. Actually the year closed with a surplus of 49·89 crores, of which 32 crores went to General Revenues and 17·89 crores were transferred to Railway Reserve.

The budget estimate of the surplus for the current year was 36·51 crores, out of which the share of General Revenues was to be 32 crores. For the reasons I have already explained, we now expect our surplus to be only 32·07 crores. As settled last year, the General Revenues will have a fixed contribution of 32 crores and the Railway Reserve the remaining 7 lakhs.

In 1946-47 the surplus net revenue, after meeting interest charges, will be 12·22 crores. The contribution to General Revenues has been worked out as an initial payment of 1% of the capital at charge of commercial lines, less the loss on strategic lines, and half the balance after setting aside 3 crores for the Betterment Fund. On the basis of our present estimate, this gives 7·36 crores to General Revenues and 1·86 crores to Railway Reserve.

The year 1944-45 closed with a balance of 37·48 crores in the Railway Reserve. In the current year there will be a withdrawal of 8.50 crores against the original estimate of 5·80 crores, while the appropriation will be 7 lakhs against 4·51 crores in the budget. The balance in the Fund at the end of the year will be 29·05 crores. In 1946-47 there will be the transfer of 12 crores to the Betterment Fund, and a withdrawal of 1·82 crores on account of arrears of depreciation, while the appropriation to the Reserve will be 1·86 crores. There will also be an accretion of 2 lakhs on account of appreciation in the value of branch line shares which will be cancelled on the taking over of the lines in 1946-47. The balance in the Fund at the end of the year will therefore be 17·11 crores.

Post-war development

17. I would now refer to the programme for development of the Railways mentioned in previous budget speeches and ordinarily somewhat loosely referred to as post-war reconstruction. All Railways were called upon to submit quinquennial programmes based on the broad proposals framed by the Railway Board. These programmes, which are now under close examination, normally apply to a period beginning with 1947-48 but portions have been brought forward to 1946-47 as additional to the normal works programme for that year. As will be seen later when dealing with the Capital and Depreciation Fund programme for 1946-47, a very heavy programme of work is contemplated for that year. I feel a note of caution should be sounded in respect of these large programmes.

It is wrong, and likely to prove financially wasteful, if Railways are asked to undertake work beyond their efficient spending capacity. Time is required to build this capacity up, and premature rushing into work with perhaps inadequate examination and preparation may be dangerous. Moreover, Railways have been strained very seriously during the last five years and rehabilitation and elimination of arrears of maintenance and a restoration of more normal working will necessarily absorb the skill and attention of officers and staff, so that an undue burden of additional work might result in neither rehabilitation nor expansion receiving the attention they require.

A programme of construction of new railways and restoration of the dismantled lines has been tentatively settled in consultation with Provincial Governments and negotiations are still proceeding in respect of expansion in Indian States. No less than 41 surveys have been sanctioned and work is now in progress on 24 of these. It will be appreciated that not only are engineering surveys necessary but traffic surveys also. This work has to be conducted in close co-operation with local and provincial authorities and much of it is in difficult country. So progress, if it is to be sound and not liable to lead to unjustifiable financial commitments, must necessarily be cautious and, in addition, skilled staff for such work is limited. The investigations proceeding and sanctioned are in regard to about 3,000 miles out of a little over 5,000 miles, the total of the proposals so far made.

Passenger Stock

18. Honourable Members will be particularly interested in the question of passenger coaching stock. Last year I promised that everything would be done to bring more stock into service by the utilisation of whatever equipment we might have available. Unfortunately the new underframes which were then on order have only now begun to arrive. These underframes will mainly be distributed over the various Railways in accordance with their workshop capacity in order to ensure rapid construction and release to service; but a few may be used in connexion with the provision of special light weight stock to be supplied by outside manufacturers. Over the last calendar year the Railways have put a considerable number of additional carriages into service by using every underframe, standard or otherwise, which could be made available.

Much consideration has been devoted to improvements in the design of future stock. Alternative Inter and III Class layouts have been prepared and trial forms built. The tentative layouts contemplate transverse seating which makes for greater privacy; seats will have adequate knee room and will give a standard of comfort not previously provided. Provision will also be made for a considerable majority of the passengers to have lying down facilities. Water supply will be available in both the compartments and the lavatories, and lighting will be improved. The Inter Class will be provided with fans. It will be realised that additional comfort, which is largely to be obtained by increased space per passenger, means a reduction in the normal seating capacity This being so, much attention is being given to reduce the tare weight of stock by special construction and close examination is being made of the question of using wider stock. Such new stock, it is contemplated, will afford a greater measure of protection in the event of accidents; and another feature it is hoped to introduce is better insulation against heat.

Locomotives and Boilers

19. As regards locomotive and boiler manufacture in the country, the Ajmer Workshops expect to complete the first batch of 10 broad gauge engines by the end of this month and six have already been issued to traffic. In addition two metre gauge locos were completed last year Work on the first order for boilers with the new Tata Loco and Engineering Company at Singhbhum is in hand ; and progress is being made with finalising the plans and estimates for the new locomotive building workshops at Kanchrapara. I have already mentioned the serious problem of arrears of maintenance which applies particularly to locomotives, and until the work involved in overtaking these arrears is complete or arrangements can be made satisfactorily to distribute the work now to be carried out at Kanchrapara there may be some delay in converting these shops.

Amenities for the Public and Railway Staff

20. The works programme will be found to contain considerable sums for amenities both for the public and the railway staff. As regards the latter, the majority of the expenditure is in respect of quarters. It has been recognised that better accommodation is necessary and steps have been taken to draw up more suitable specifications.

Railway Rates

21. It is necessary to make mention of an important matter of post-war railway investigation, one which has been mentioned publicly in the proceedings of the Indian Railway Conference Association and commented upon in the Press. I refer to the railway rating structure. If I may say so, there seems to be a little misunderstanding in regard to the investigations that are being made and it appears that the rating structure has been confused with the rating policy or general level of charges.

There was for some years criticism of the structure and much was done just before the war to remove causes of complaint. The two main criticisms were in regard to the number and complexity of the class and schedule rates and, secondly the application of discontinuous mileage between individual Railways in the calculation of freights and charges. In 1937 the Railway Enquiry Committee, having drawn attention to these two points, expressed the opinion that the adoption of continuous mileage would involve serious rate reductions, and they recommended greater recourse to quoting lump sum station-to-stationrates. This policy was followed and much was accomplished, but despite other war pre-occupations a further investigation was begun into the simplification of the structure. A comprehensive analysis was made with the result that it appeared practicable to introduce class rates on a telescopic basis on continuous mileage without appreciable loss of revenue. Such a procedure would simplify the structure ; it would reduce the number of non-standard rates, and with the adoption of the shortest route principle, would reduce the volume of work involved in rate calculations. The main changes tentatively approved were, therefore, the introduction of telescopic rates on continuous mileage, other rates for interchange traffic being mainly station-to-station lump sum rates. The investigation—a very complicated one involving examination of many thousands of rates —still continues and we hope to produce a structure which will eliminate previous criticisms, avoid unhealthy competition between railways, reduce the difference between rates at railway risk and at owner's risk, and simplify procedure. I would emphasize again that all this involved and intricate work concerns the structure and only indirectly does it embrace the other problem of the actual level of rates or the rating policy. From what I have already said about future financial prospects, it will be fully appreciated that the quantum of traffic generally in the future, which one anticipates will be below that now estimated for next year, and the level of expenditure, which unfortunately will not, one apprehends, fall so readily, will determine whether the existing level of railway charges can be maintained or not.

Capital and Depreciation Fund

1945-46

22. I now turn to the estimates of Capital and Depreciation Fund. Our revised estimate for the year 1945-46 allows for an expenditure of 29·26 crores, 10·41 crores under Capital and 18·85 crores from the Depreciation Fund. The Capital expenditure includes a sum of Rs. 1·34 crores on account of the balance of the purchase price of B. & N. W. and R. & K. Railways, outstanding matters in connexion with which have been only recently settled after protracted negotiations between the Secretary of State and the Liquidators. It includes also 14 lakhs for the purchase of the Pollachi- Podanur Railway, 25 lakhs for the purchase of the Jacobabad–Kashmore Railway and 1·86 crores for the Dibru-Sadiya Railway. It also includes an expenditure of 1·19 crores on investment in road services. Our suspense balances will also be increased by 3·43 crores ; but there is a credit to Capital of 3·03 crores, 2·98 crores because of the write-off of the capital cost of dismantled lines and abandoned assets and 5 lakhs on account of the write-back to Revenue of the railway portion of the cost of military sidings.

1946-47

23. For the year 1946-47 we have provided for an expenditure of 25·89 crores under Capital and 16·95 crores from the Depreciation Fund. Under Capital we have provided 2 crores for new constructions, actual details of which are not yet known as survey reports have still to be submitted, and for restoration of dismantled lines, and 2·37 crores are provided for the purchase of Sara-Sirajganj, Ahmedabad-Prantej, Hoshiarpur-Doab and Sialkot-Narowal Railways. In addition to this sum they will be paid premia aggregating 47·26 lakhs, which, however, will be charged to Working Expenses. For investment in road services we have made a provision of 3·48 crores. For open line works we have provided 35·66 crores including 2·10 crores for quarters and other amenities for Railway staff and about 77 lakhs for provision of additional amenities for the public. As the total open line programme comes to the large figure of 40·84 crores, we have made a lump sum cut of 4·84 crores to provide for throw-forwards and for the probability that railways may not be able to spend the full amount. The net provision therefore is 36 crores of which 15 crores will be charged to the Depreciation Fund, the balance of which at the end of the year will stand at 98·83 crores.

Staff

24. Our post-war plans include a review of many aspects of the conditions of service under which railway servants carry out their duties—a review which has been facilitated by the recent acquisition by the State of the remaining Company-managed lines. The standard of medical facilities which we provide and the educational assistance given to staff in respect of their children are being looked into. Staff Councils, as a link between the Administration and the railway worker, are to be made more effective. The working of the staff Benefit Fund which provides miscellaneous amenities is being reviewed. The rules regulating the hours of employment of railway workers—a matter of considerable complexity—technical training and the handling of establishment matters are all being considered afresh. We are determined that the welfare of the large body of railway servants shall thus receive adeqauate attention in the post-war years and that improvements are introduced as soon as possible although the workers must remember that many of these question are complicated and that improvement must be progressive as investigations are completed and funds become available.

I am well aware that, at the moment, the post-war scales of pay are uppermost in the minds of our employees. Each Railway has its own scales ; in fact, there is an entire lack of uniformity in this matter, especially on ex-Company-managed Railways. While it is impossible to justify one set of scales in such a large country where differences in living conditions will probably always exist, an attempt is being made to simplify, as far as possible, the pay structure which, in itself, the Railway

Board believe, will be conducive to contentment among the staff. This examination of the structure is well in hand, and, although it will not be possible finally to introduce post-war scales until we can foresee to some extent the level at which prices are likely to become stabilised, yet, as recently announced, Government is setting up a Commission to consider the post-war scales of pay of all its servants. In the meantime, however, the present rates of relief which we are giving will not be reduced so long as there is no material reduction in the cost of living.

25. Large bodies of temporary staff are, I know, apprehensive that diminution in railway transportation will lead to many of them being discharged. As I have publicly stated, there is no truth in the report which has appeared in the Press that as many as 250,000 men will lose their employment. It is, of course, a fact that the purely military work which Railways were undertaking on behalf of others has been stopped and that purely military traffic will show a decline, but we have the larger rehabilitation and construction programme to which I have already referred. Under these conditions, men who are becoming surplus in one direction can be given alternative employment in another and Railway Administrations are doing their utmost to ensure that no redundant worker will be turned off if there is alternative work for which he is at all suitable and which he will accept.

Conclusion

26. In conclusion, Sir, I should like again to take this opportunity—the last opportunity I shall have—to commend to Hon. Members the loyalty and work of all grades of Railwaymen.

All have contributed to the results obtained and on their endeavour depended, to some extent, the success that attended the fighting forces of the Allied Nations, not only in the East but in North Africa and elsewhere. The principal Administrative Officer, G.H.Q. (India), once publicly stated "The Railways of India have never let the Army down." I do not feel that my confidence—a confidence born of thirty-five years' connexion with Indian Railways—is misplaced when I say that these same officers and men will continue to display a similar spirit of service in the different conditions now about to face them. May it be so. (*Applause.*)

The Council then adjourned till Eleven of the Clock on Tuesday, the 19th February, 1946.

COUNCIL OF STATE

Tuesday, 19th February, 1946

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

QUESTIONS AND ANSWERS

K.L.M. Air Line

31. THE HON. RAJA YUVERAJ DUTTA SINGH: Is it a fact that the Dutch K.L.M. air line will shortly resume service to the Far East making some point in India as a terminus? If so, have Government accorded their sanction, so far as this country is concerned. If so, with what terms and conditions.

THE HON. SIR MAHOMED USMAN: The Government of India have not so far received any proposals from the K.L.M. for the resumption of their pre-war civilian air service across India. Government have, however, permitted the operation of a Dutch military air service between Amsterdam and Batavia touching India at Karachi and Calcutta, subject to the conditions that no commercial traffic rights are conferred and that the permission granted will be without prejudice to the terms of any agreement for a future Dutch civil air service to or across India between the Government of India and the Dutch Government.

THE HON. MR. N. K. DAS: Have any Indian companies applied to operate on the same routes? If so, with what result?

THE HON. SIR MAHOMED USMAN: I must ask for notice of the question.

Invalidation of Japanese Currency in Burma

32. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Is it a fact that Indian residents in Burma have become bankrupt, as the result of a proclamation issued by the Military authorities in Burma, the effect of which is to render worthless all currency issued by the Japanese who were in occupation of the country?

(*b*) What steps have been taken by Government to prevent the inhibition of the Indians in Burma by reason of the above proclamation?

THE HON. DR. N. B. KHARE: (*a*) Reports have been received that owing to invalidation of Japanese currency many Indians in Burma have in common with members of other races been put to loss.

(*b*) The Government of India can take no action in respect of the currency in another country particularly as there has been no discrimination against Indians in this matter.

THE HON. MR. G. S. MOTILAL: Are Government in a position to say what are the losses which have occurred to these Indians on account of changes in the currency?

THE HON. DR. N. B. KHARE: No, Sir.

THE HON. MR. G. S. MOTILAL: Are Government taking any steps to change Japanese currency having regard to their previous holdings or something like that?

THE HON. DR. N. B. KHARE: No. It is the policy adopted by the United Nations. All nations have suffered, not only India.

THE HON. MR. M. THIRUMALA ROW: Cannot the Government of India press upon His Majesty's Government to see that such impoverished Indians are helped in some way?

THE HON. DR. N. B. KHARE: No, Sir.

THE HON. MR. M. THIRUMALA ROW: Why cannot the Honourable Member take it up and do it?

THE HON. DR. N. B. KHARE: It is not a question of losses to Indians alone

There are so many races who are residing in Burma—Chinese, Burmese, etc. All have suffered from the same calamity on account of the war; and it is the policy adopted by the United Nations.

THE HON. MR. M. THIRUMALA ROW: The fact that others have suffered does not mitigate the suffering of Indians——

THE HON. THE PRESIDENT: Put your question and do not argue.

THE HON. MR. M. THIRUMALA ROW: Is it not the duty of the Government of India to protect the interests of Indians in Burma——

THE HON. THE PRESIDENT: You must put your question and not argue.

THE HON. MR. G. S. MOTILAL: Is it a fact that the Government of England has come to the help of British subjects in Burma?

THE HON. DR. N. B. KHARE: I am not aware of it.

THE HON. MR. G. S. MOTILAL: Will the Honourable Member make enquiries about it?

THE HON. DR. N. B. KHARE: I will.

CONTROL OF ENTRY INTO BURMA BY THE SOUTH EAST ASIA COMMAND

33. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Is it a fact that entry into Burma is now controlled by the South East Asia Command, and that representatives of British interests were allowed to proceed to Burma, fulfilling the technical procedure, but the same facilities were denied to Indians?

(*b*) Have Government ascertained how many representatives of British interests and how many of Indian interests have been allowed entry into Burma since the recovery of that country from Japanese occupation; and will they place the result of their enquiry before the House?

(*c*) What specific steps have been taken by them to see that the rights of Indians to immigrate and settle in Burma, which existed before the war, will be continued unimpaired in future, and that no discriminatory executive or administrative action will be taken against them?

THE HON. DR. N. B. KHARE: (*a*) Up to the 16th October 1945 entry into Burma was controlled by the South East Asia Command. Since that date entry into Burma is controlled by the Government of Burma, but control of all means of transport into Burma still remains with the military authorities. Government's information is that no special facilities are being provided to representatives of British interests as such to proceed to Burma.

(*b*) The information is not readily available.

(*c*) Government have been keeping a close watch on the situation and will not fail to take any action that may be required.

THE HON. MR. M. THIRUMALA ROW: With regard to the second sentence of part (*b*), have not Government collected any data about the number of representatives of Indian interests who sought re-entry into Burma?

THE HON. DR. N. B. KHARE: No, Sir. Government have not collected data. But I may tell the Hon. Member—he must have seen in the papers—that about 2,000 people interested in the rice trade have been allowed to go to Burma; and I may further tell that about an equal number, perhaps more, of other traders are also likely to go to Burma. Replacement of staff will be allowed.

THE HON. MR. M. THIRUMALA ROW: Is the Honourable Member aware of the statement made by Mr. Master who recently returned from Burma that sufficient facilities are not being given to Indian traders?

THE HON. DR. N. B. KHARE: I am not aware of it.

THE HON. MR. G. S. MOTILAL: Is the Hon. Member in a position to say how many Indians have been allowed to go there ?

THE HON. DR. N. B. KHARE: I want notice of the question. I have no information.

THE HON. PANDIT HIRDAY NATH KUNZRU: Did the Hon. Member say that the re-entry of the evacuees into Burma depended on the permission of the Burma Government and not that of the Government of India ?

THE HON. DR. N. B. KHARE: No, Sir. It is not so.

THE HON. PANDIT HIRDAY NATH KUNZRU: What is the position ?

THE HON. DR. N. B. KHARE: At present, naturally the conditions being difficult in Burma, it is only a matter of mutual consultation between the Government of India and the Government of Burma to allow such people as can be readily absorbed and who will not suffer. That is all.

TRANSFER OF THE MINT FROM LAHORE TO CALCUTTA

34. THE HON. RAJA YUVERAJ DUTTA SINGH: Will Government state whether it is proposed to shift the newly created Lahore Mint back to Calcutta ? If so, why ? What amount of expenditure was incurred in erecting the Mint in Lahore ?

THE HON. SIR CYRIL JONES: Government do propose to transfer the Lahore Mint back to Calcutta in pursuance of their original scheme to establish a new and up-to-date Mint at Alipore (Calcutta) in place of the existing Calcutta Mint. This scheme could not be brought to completion in 1942 owing to the then war situation, which necessitated emergency arrangements being made at Lahore. The question was recently re-examined by Government and, in view of the undoubted administrative convenience and financial economy afforded by the establishment of a modern Mint at Alipore as a permanent measure the previous decision to abandon the Lahore Mint has been reaffirmed.

As regards the latter half of the question, the expenditure incurred on the construction of the Lahore Mint is of the order of Rs. 52 lakhs.

RACIAL DISCRIMINATION AGAINST INDIANS IN GIBRALTAR

35. THE HON. RAJA YUVERAJ DUTTA SINGH: Will Government state whether racial discrimination against Indians prevails in Gibraltar? Will Government enquire and state the nature of such discrimination and the steps taken for its removal, together with the results of such efforts ?

THE HON. DR. N. B. KHARE: There is no discrimination against Indians as such. Indians who are statutory aliens under the Alien Traders Ordinance, 1934, do not have the same rights and privileges as the natives of Gibraltar. Every British subject who is not a native of Gibraltar other than British subjects under the service of His Majesty is a statutory alien under the Ordinance.

LATE DELIVERY OF MAILS, ETC., IN LUCKNOW

36. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Are Government aware that there is a general public complaint in Lucknow, regarding the late delivery of mail and very often postal articles are not at all delivered to the correct addresses, and are misdelivered ?

(*b*) Is it a fact that correspondence has been going on with reference to the above between the local postal authorities and the Post Master General of the U. P. Circle; but nothing has so far resulted ?

(*c*) Will Government take necessary steps, either by increasing the number of postmen and exercising more effective control over them or in any other way, to see that the genuine complaints of the public in this respect are soon removed ?

THE HON. SIR MAHOMED USMAN: (*a*) There is no general complaint regarding the late delivery or misdelivery of mails from Lucknow Head Office. The Postmaster-General, United Provinces, has already taken steps to sanction the additional staff justified.

(*b*) and (*c*). Do not arise.

INCIDENT IN CONNECTION WITH EMBARKATION OF VICEROY'S COMMISSIONED OFFICERS

37. THE HON. RAJA YUVERAJ DUTTA SINGH: Will Government give the main details of the incident which took place in England some time back, in which a number of Viceroy's Commissioned Officers declined to embark for India, on the ground that accommodation provided for them was not the same as that provided for British Officers of equivalent rank?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: The incident referred to by the Hon. Member, which took place on the 21st of May 1945, involved some 180 Viceroy's Commissioned Officers who were recovered prisoners of war from Germany, and were being repatriated to India. Owing to the shortage of cabin accommodation, they were allotted two troopdecks, each of a capacity of 250 men—one deck for sleeping and one for messing. I should add that this was the accommodation frequently occupied by officers of the British Army on repatriation ships.

2. All the Viceroy's Commissioned Officers, with the exception of 21, refused to embark on the grounds that as V.C.Os. they were entitled to cabin accommodation. Arrangements were eventually made to provide cabin accommodation on these ships at later dates.

THE HON. MR. M. THIRUMALA ROW: Is it a fact that there was discrimination in the matter of accommodation between British and Indian officers of the same cadre and rank?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: The Viceroy's Commissioned Officers are in a class by themselves. As the Hon Member knows, they are not given the same accommodation as Commissioned officers. They were given accommodation that would be given to officers of their rank. However, as a special case because these men had recently been prisoners of war—and as the Hon. Member knows recovered prisoners of war, it does not matter to which nationality they belong, are generally in a highly strung condition and very sensitive— they were given sympathetic consideration and eventually allotted cabin accommodation.

THE HON. MR. M. THIRUMALA ROW: Is His Excellency aware that there is a deep sense of heart-burning among Indian officers that there has been this sort of discrimination in treatment?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: They were Viceroy's Commissioned Officers and not Indian Commissioned Officers.

RESERVATIONS ON THE FRONTIER MAIL

38. THE HON. MR. G. S. MOTILAL: With reference to the answers given on the 6th April, 1945, to my question No. 279 in the Council of State, will Government state:—

(*a*) When was the local practice contrary to rules introduced at the Delhi Station?

(*b*) When did Government first come to know of it?

(*c*) Does it still continue?

(*d*) Has it not negatived the rule when I applied under it for reservation?

(*e*) At what other places such local practices prevail?

(*f*) What are other practices contrary to rules now in force regarding reservation?

(*g*) Have Government inquired which officer introduced this practice which nullifies the rules relating to reservation referred to in the Railway Board Circular No. 3058-TT, dated the 15th February, 1945 ?

(*h*) What steps do Government propose to take against this officer ?

(*j*) Whether there is any practice at the Delhi Railway Station in regard to reservation on the G. I. P., N. W. and E. I. Railways contrary to the rule embodied in the circular sent to Members ?

THE HON. SIR ARTHUR GRIFFIN : (*a*) The local practice of provisional reservations, which was not contrary to rules, was in force for a long time : there is no record of the exact date when it was first introduced.

(*b*) In March 1945, on receipt of notice of the Hon. Member's Question No. 279.

(*c*) and (*d*). No.

(*e*) At no other place.

(*f*) None.

(*g*) No. In view of the reply to (*a*) the need for an inquiry did not arise.

(*h*) Does not arise.

(*j*) No.

THE HON. MR. G. S. MOTILAL : May I know, Sir, what is the exact position at the Delhi Railway Station for reservation of accommodation whether the rule or the practice is followed ?

THE HON. SIR ARTHUR GRIFFIN : The rules are followed in all cases. The Hon. Member may be aware of a letter which was recently sent which describes the procedure which is available for Hon. Members when they depart from Delhi.

THE HON. MR. G. S. MOTILAL : Is Government aware that this rule was not followed when I applied for reservation in Bombay ? I was told that they had not received any instructions and they did not issue me a ticket under the rules prescribed by the Hon. Member.

THE HON. SIR ARTHUR GRIFFIN : I do not know.

THE HON. MR. G. S. MOTILAL : Will the Hon. Member make enquiries please ?

THE HON. SIR ARTHUR GRIFFIN : Yes.

IMPORTS OF CONSUMER GOODS ARRANGED BY THE HYDARI MISSION

39. THE HON. MR. G. S. MOTILAL : Will Government state imports for 1945 and 1946 arranged by the Hydari Mission in volume and value of each kind of consumer goods which are not manufactured at all in India at present or manufactured in very small quantity ?

VALUE OF STEEL, ETC., IN RESPECT OF WHICH INDIA IS TO HAVE RELIEF

40. THE HON. MR. G. S. MOTILAL : Will Government state the quantity and value of goods mentioned in paragraphs 3 and 4 of the Press Communique issued on Friday, the 6th April, 1945, and also specify the approximate value of steel, leather, timber, woollens, cement and cotton textiles in respect of which India is to have relief of 4 crores in 1945 and 70 crores in 1946 ?

VOLUME AND VALUE OF IMPORTS ARRANGED FOR 1944 AND 1945

41. THE HON. MR. G. S. MOTILAL : Will Government state what is the volume and value of each kind or category of " other goods " the imports of which have been arranged for 1945 and 1946 ?

THE HON. MR. M. W. M. YEATTS : With your permission, Sir, I should like to answer questions Nos. 39, 40 and 41 together.

The figures required are not readily available and the labour and time involved in preparing them would not be commensurate with the result desired. In any case the details settled when the war was on both in the East and in the West have become out of date due to the unexpected cessation of hostilities in August 1945 and would not therefore serve any useful purpose now.

THE HON. MR. G. S. MOTILAL: These questions were sent last year. Have not Government had the time to compile the figures?

THE HON. MR. M. W. M. YEATTS: This point was considered at the time the communique was out and, the very things that I have mentioned came up then. It was for that reason that the communique last year took the form it did.

THE HON. MR. G. S. MOTILAL: Have not Government got some details?

THE HON. MR. M. W. M. YEATTS: It would be a terrific task to compile the complete figures but if there is any particular article in which the Hon. Member is interested I would be very glad to work up something for him.

THE HON. MR. M. THIRUMALA ROW: The question specifically mentioned such articles as steel, leather, timber, woollens, cement and cotton textiles. It is only half a dozen articles for which you could have gathered information.

THE HON. MR. M. W. M. YEATTS: As I have said at the time the communique was issued there was the idea to go somewhat further in the direction of being specific but for the reasons I have given it was decided that it was not possible to compile the figures for all the articles. If the Hon. Member is interested in any particular article I will see if I can work up something for him, though I cannot promise that we will be able to gather the exact information.

THE HON. MR. G. S. MOTILAL: I want information about all of them and I understood on very good authority that those figures would be given to me when a question was put. It is now that Government comes forward and says that it is not convenient to collect these figures.

THE HON. THE PRESIDENT: It is an argument. Please put a definite question.

THE HON. MR. M. THIRUMALA ROW: It is a polite way of refusing to answer.

THE HON. THE PRESIDENT: So far he has given all the information which is available.

THE HON. MR. G. S. MOTILAL: Is there nothing more than this?

THE HON. THE PRESIDENT: There may be but then you must put a definite question.

THE HON. MR. G. S. MOTILAL: That is what I say: Is there nothing more than the information already given?

THE HON. MR. M. W. M. YEATTS: No. I am afraid it will involve a considerable amount of work, Sir, but I am prepared to discuss the matter with the Hon. Member and see if we can get some way towards meeting his point.

THE HON. MR. G. S. MOTILAL: Is there any objection to giving the information to the House?

THE HON. MR. M. W. M. YEATTS: The targets fixed as a result of the Hydari Mission were stated in very very general terms and they were affected by shipping and other considerations. Now to collect exact information in regard to particular items would really mean a very very considerable amount of work.

THE HON. MR. G. S. MOTILAL: How much of these goods have come so far?

THE HON. MR. M. W. M. YEATTS: I require notice of that, Sir.

PERCENTAGE OF PRODUCTION OF COTTON TEXTILES, ETC., AVAILABLE FOR CIVILIANS.

42. THE HON. MR. G. S. MOTILAL: Will Government state:—

(*a*) What percentage of the production of the Indian cotton textile, steel, cement and leather industry, respectively, is available for the civilian needs

at present and what will be the position in 1945 when the agreement with His Majesty's Government takes effect ?

(*b*) Whether the arrangement for the importation of consumer goods stated in the communique are in addition to imports by private trade channels ; if the answer is in the affirmative, will they state the method of distribution of those goods ?

(*c*) Whether it is proposed to take steps to ensure that the Indian industries are not adversely affected by the imports arranged ?

THE HON. MR. M. W. M. YEATTS : (*a*) Indian cotton textile industry. About 81 per cent. in 1945 and about 90 per cent. in 1946.

Steel—42·94 per cent. in the 3rd quarter and 44·47 per cent. in the 4th quarter 1945 and 68. per cent. in January-March, 1946. (This excludes Railway requirements.)

Cement—50 per cent. in April 1945 and nearly the whole production in 1946.

Leather—75 per cent. in 1945 and 85 per cent. in 1946. The probability is that as a consequence of prospective cancellation of military demands the 1946 percentages will eventually be higher than as given.

(*b*) *First part.* No, Sir.

Second part. Does not arise.

(*c*) In regulating imports from abroad careful consideration is being given to the legitimate interests of the indigenous industries.

PRODUCTION OF TOILET GOODS

43. THE HON. MR. G. S. MOTILAL : Will Government state the total production of toilet goods in this country and their total value and how much in value it is proposed to import such goods in 1945 and 1946 ?

THE HON. MR. M. W. M. YEATTS : *First part.* No reliable statistics are available.

Second part. Value of total imports in 1945 is approximately Rs. 1,41,00,000.

Value of proposed imports in 1946 would be approximately Rs. 1,68,00,000.

The figures cover imports from both U.K. and U.S.A.

THE HON. MR. G. S. MOTILAL : And other countries as well ?

THE HON. MR. M. W. M. YEATTS : I think the imports from anywhere else would be, in these particular years, infinitesimal.

AWARD OF THE VICTORIA CROSS TO INDIANS

44. THE HON. RAJA YUVERAJ DUTTA SINGH : Will Government state how many Victoria Crosses have been awarded to Indians in the present war upto date and how many of them to Hindus, Muslims and members of other communities ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : Eighteen Victoria Crosses have been awarded to Indians as follows :—

Hindus	9
Sikhs	5
Muslims	4

In addition 10 Victoria Crosses have been awarded to Gurkhas.

CHIEF DELEGATE REMARKS TO THE COMMONWEALTH AIR TRANSPORT COUNCIL

45. THE HON. RAJA YUVERAJ DUTTA SINGH : (*a*) Has the attention of Government been drawn to the following remarks made by Sir Gurunath Bewoor, India's Chief delegate to the Commonwealth Air Transport Council, which recently met in London :— " We hope that progress will be maintained in British aviation because we hope to use as far as possible British aircraft and British personnel "?

(*b*) On what authority has this statement been made ? What is the intention of Government in regard to Indian air companies in the matter of manufacturing aircrafts or from going to other countries for aircrafts or technical personnel ? Do Government propose to refute, confirm or modify the remarks referred to in (*a*) ?

THE HON. SIR MAHOMED USMAN : (*a*) and (*b*). No such statement was made by Sir Gurunath Bewoor. I lay however on the table a copy of the speech in question and would invite special attention to paragraph nine thereof as also to the letter which Sir Gurunath Bewoor sent to the *Hindustan Times* and which appeared in that paper dated 22nd September, 1945. I lay on the table a copy of this letter as well.

COMMONWEALTH AIR TRANSPORT COUNCIL

1ST MEETING

Speech by Sir Gurunath Bewoor, C.I.E., I.C.S.

Lord Swinton,

I would like first of all to express an appreciation of the initiative taken by H. M. G. in the U. K. in convening this first meeting of the C. A. T. C. the formation of which was agreed to by all of us last December. I need not dwell upon the importance of the subjects we have met here to consider ; the presence here today of the delegates of the Dominions and India many of whom have travelled thousands of miles is a sufficient evidence thereof.

2. We have read with interest and profit the proceedings of the S. African A. T. Conference and the resolutions adopted thereat. The discussions have certainly been most useful : and valuable suggestions have been made from which, we, in this Council will, as you, Sir, have observed, undoubtedly benefit. Arising out of these discussions, I would urge, for the consideration of this Council, the desirability of associating representatives of the Post Office with the deliberations of this Council. Of the traffic which Air Transport is designed to carry, mails are certainly not the least important and undoubtedly are the most paying, weight for weight. The public convenience served by the carriage of mails is certainly greater than that of any other kind of freight and those who offer this freight and have to deal with the public who originate that freight should, I think, be associated with us.

3. So far as development of civil Air Communications is concerned, I am afraid we have little progress to report from India. Though happily the war in Europe has ended in complete victory, we have still to beat the Jap. Though not at the gates of India any longer, he is an ever present menace and India is a vital base for the war against Japan. All our resources, all our efforts have to be devoted to that objective—to hit the Jap until he surrenders unconditionally. Planning, however, must proceed, for, we do not want to be caught unprepared, when victory comes, as surely it will and must.

4. We have therefore proceeded with our plans for our Civil Air Transport Services both internal and external. In the internal field, they provide a network of trunk air services on the basis of one daily return service, involving approximately a flying mileage of 8 millions a year From the standard of the U. K. and the Dominions, this is no doubt a modest plan but considering our resources in men and materials, it is one which we think is a practical one capable of achievement within a reasonable period. A grandiose plan might have looked better on paper. This plan of ours is however a first instalment and it does not exclude the development of regional services which local enterprise may undertake. These trunk services of ours will act as feeders to the Commonwealth Services. In the field of external services, we have planned for services to U. K., to countries of the Middle East, to China, to Malaya and to East Africa. Our internal services must of course come first and our efforts would be concentrated on them initially but this does not mean that nothing will be done in the external field. In fact, we propose to take up as soon as practicable the establishment of services from India to countries of the Middle East and to Burma and Malaya as soon as they are completely free.

5. The Government of India have considered and announced their policy regarding the agency by which India's air services are to be operated. This is something gained towards on early achievement of our plans. This policy is to promote the development and expansion of air Transport services generally by a limited number of sound and reliable private commercial organisations, with however,freedom, to Government, in selected cases, to take afinancial interest but not a controlling interest in them. Government have also reserved the freedom, in any particular case, to operate a route entirely by an organisation owned by the State. Legislative powers have already been taken for the establishment of an Air Transport Licensing Board. This Branch will have the sole power of granting licenses for the operation of services subject to such conditions as it may prescribe and without a license so granted, no air service in or from India will be permitted to operate. The detailed rules relating to the constitution, functions and procedure of the Board, will it is hoped, be shortly issued.

6. We are glad to note the further study that has been made on the subject of the standard bilateral agreement and on extremely valuable draft has been placed for our consideration We are grateful to H. M. G. for this. This is a very complicated matter but it is one on which a common agreement must be reached as early as possible for, though we in India have not so far been approached by anyone, such approaches for a Bilateral Agreement may be made at any moment and we must not be unprepared. (As an exception, I may mention, Ceylon is the only country which has made certain proposals.)

7. On the draft Technical Annexes, India has sent very detailed observations to the Government of the U. K. We have taken part in the Paris meetings of the I. C. A. N. and hope to contribute our share to the discussions in the meetings of this Council and in the Plenary Session of the I. C. A. N. on these subjects.

8. You, Sir, have referred to the work of the provisional secretariat of this Council—work which was voluntarily undertaken by the U. K. Government. We appreciate very much the excellent work performed so far and as regards the future, in view of the general shortage of skilled personnel, I would make for the consideration of this Council the suggestion that we should request the Civil Aviation Ministry of the U. K. Government to provide the Secretariat for the time being and for some time to come. I think we can safely rely on their efficiency and adequacy.

9. Finally we are indeed very glad to note from the papers sent to us the good progress that is being made in the aircraft production programme of this country. For a variety of reasons which I need not elaborate, India would prefer to use British Aircraft (and, incidentally, in the initial stages, British personnel) to any others. We hope therefore that progress would not only be maintained but if possible improved upon. I have however one observation to add. While no doubt large scale and long range aircraft are necessary for international traffic, and in consequence greater attention and time is devoted to their designment and production, we would like H. M. G. and the British Aircraft manufacturers to devote equal time, attention and effort to the designing and production, of medium size and medium range aircraft which are essential for the successful and economic working of the internal air services of countries like India and Australia or for the operation of regional services, as in, say, the Middle East or in Southern Africa. There is a market here which, it is in the interests of the Commonwealth as a whole should be satisfied by the supply of suitable aircraft of British manufacture which, I am confident will excel others in quality, durability, economy in operation and in price.

Thank you.

GOVERNMENT OF INDIA,
POSTS AND AIR DEPARTMENT.
NEW DELHI.

20th September, 1945

Sir,

On my return to India yesterday, my attention has been drawn to the editorial in your issue of the 11th July commenting on the speech which I made at the First Meeting of the Commonwealth Air Transport Council in London on the 7th July. Your article is apparently based upon telegraphed reports of my speech and you have put in quotation marks certain sentences. I am afraid that the telegraphed report must have been incorrect and inadequate. I now enclose the text of my speech and would like to draw your special attention to the last paragraph of the speech which I quote below :

" Finally we are indeed very glad to note from the papers sent to us the good progress that is being made in the aircraft production programme of this country. For a variety of reasons which I need not elaborate, India would prefer to use British Aircraft (and, incidentally, in the initial stages, British personnel) to any others. We hope therefore that progress would not only be maintained but if possible improved upon. I have however one observation to add. While no doubt large scale and long range aircraft are necessary for international traffic, and in consequence greater attention and time is devoted to their design and production, we would like H. M. G. and the British Aircraft manufacturers to devote equal time, attention and effort to design and production of medium size and medium range aircraft which are essential for the successful and economic working of the internal air services of countries like India and Australia or for the operation of regional services as in, say, the Middle East or in Southern Africa. There is a market here which, it is in the interests of the Commonwealth as a whole, should be satisfied by the supply of suitable aircraft of British manufacture which, I am confident, will excel others in quality, durability, economy in operation and in price. "

You will note that I have made no commitment whatsoever with regard to the purchase of British aircraft for air transportation services in India. I expressed the hope that British manufacturers would produce suitable aircraft which will excel others in quality, durability, economy in operation and in price. If this is achieved I see no reason why Indian air transporters should not buy British aircraft in preference to others. The fact that we are going to buy British aircraft *now* does not stand in the way of aircraft manufacture in India. No aircraft industry now to be started in India would be able to supply the aircraft required for operations now; it will be sometime before any aircraft industry started in India could supply the aircraft needed by India for air transport purposes. The development of civil aviation in India can not and should not be allowed to be held up until Indian aircraft manufacturers supply the aircraft while other countries go ahead in civil aviation. The policy of the Government as regards air transport in India has already been published in India and has been touched upon by me in paragraph 5 of my speech from which I quote below :

" The Government of India have considered and announced their policy regarding the agency by which India's air services are to be operated. This is something gained towards an early achievement of our plans. This policy is to promote the development and expansion of air transport services generally by a limited number of sound and reliable private commercial organisations, with however, freedom, to Government, in selected cases. to take a financial interest but not a controlling interest in them ".

It will be for the private air transporters to decide what aircraft they will buy and there is going to be no compulsion on them as to what aircraft they will use, Indian, British or American, so long as such aircraft satisfy the prescribed requirements of safety and suitability. I feel, therefore, that your comment has been based on a complete misconception of the whole speech and I will be glad if you will please give due publicity to this letter so as to remove the wholly wrong impression created by your article.

Yours faithfully,
(Sd.) G. V. BEWOOR.

The Editor,
Hindustan Times,
NEW DELHI.

DISPOSAL OF SURPLUS PROPERTY LEFT BY AMERICAN ARMED FORCES

46. THE HON. RAJA YUVERAJ DUTTA SINGH : (*a*) Is it a fact that the Government of India will have to act as agent in the disposal of surplus property left in India by the American armed forces, which is valued at a large sum ?

(*b*) What method do Government propose to follow in the disposal of this huge property ?

THE HON. MR. M. W. M. YEATTS : (*a*) No, Sir. The Government of India have agreed to purchase from the United States Government all such U. S. Government surplus property in India as will not be withdrawn for military purposes. This agreement was reached on 24th December, 1945 and covers all U. S. Government surplus property in India that had not already been sold or offered for sale by the Foreign Liquidation Commission.

(*b*) U. S. Government surplus property thus purchased by the Government of India will be handled by the Director General (Disposals) in conformity with the policy of the Government of India governing all surplus property located in India of whatever origin.

THE HON. MR. M. THIRUMALA ROW : Is it a fact that the American Government agencies have been destroying property belonging to them and which they cannot carry abroad ?

THE HON. MR. M. W. M. YEATTS : Actually there were reports to that effect last year, and our investigation showed that, while for security reasons there may have been a certain amount of destruction, and possibly occasional individual ebullience the actual reports were greatly exaggerated. I think the reports related to the period before the end of last year.

THE HON. MR. M. THIRUMALA ROW : Will the Government impress upon the American Government the necessity of seeing that their surplus goods are disposed of in India instead of being destroyed ?

THE HON. MR. M. W. M. YEATTS : I do not think there was ever any question of any other attitude being adopted by the United States Government. As I have said, these reports of destruction were undoubtedly considerably exaggerated, and had no origin in any instructions issued by the United States Government.

THE HON. MR. M. THIRUMALA ROW : There was some substance in the reports.

RECRUITMENT OF CANADIAN NATIONALS TO THE INDIAN CIVIL SERVICE AND INDIAN POLICE.

47. THE HON. RAJA YUVERAJ DUTTA SINGH : (*a*) Is it a fact that a campaign has been started in Canada canvassing for recruitment to the Indian Civil Service and Indian Police service and are Government in any way responsible for this move ?

(*b*) Are Government aware that thousands of copies of a special booklet have been issued in Canada for this purpose ? Are Government in any way responsible for their distribution ?

(*c*) Will Government obtain a copy of this booklet and place it on the table of the House or in the Library; and inform the House that it has been so placed in the Library?

(*d*) Will Government state the reasons for the attempt to obtain recruits for certain services in India from outside this country?

THE HON. MR. A. E. PORTER: (*a*), (*b*) and (*d*). The facts are as follows:—

Service in the Merchant Navy or Mercantile Marine counts as war service and persons with such service are therefore eligible to compete for vanancies in the Indian Civil Service and the Indian Police reserved for men with war service. In order to enable personnel of the Merchant Navy and Mercantile Marine, wherever they may be serving, to acquaint themselves with the conditions of recruitment in the same way as members of the Armed Forces, copies of circulars and of a descriptive pamphlet setting them forth were made available at British Consulates in major ports throughout the Colonies, Dominions and Protectorates. Some 30 copies of this pamphlet were thus sent to Montreal and rather fewer to Halifax and Vancouver.

(*c*) A copy of the descriptive pamphlet has been placed in the Library.

THE HON. MR. N. K. DAS: May I know the exact number of Indians and non-Indians that are sought to be recruited to the I.C.S. by the end of 1946?

THE HON. MR. A. E. PORTER: I suggest that that question does not arise on this question. But I shall be pleased to tell the Hon. Member, when I have informed myself on the point. The figures are available and I will communicate them to him.

THE HON. MR. M. THIRUMALA ROW: Is it the intention of the Government, by distributing the pamphlet in all countries, to recruit as many non-Indians as possible to these services in India?

THE HON. MR. A. E. PORTER: No, Sir. The proportion reserved for non-Indians is fixed, and it does not matter how many places the pamphlets go to, no more people will be recruited from outside India in any case. The numbers are fixed.

THE HON. MR. M. THIRUMALA ROW: Are Government aware that there are 22 non-Indian nationalities enjoying the status of Indian nationals in the Indian Army, while no Indian is taken in any other national army? It is the result of this propaganda.

THE HON. MR. A. E. PORTER: I suggest that that question does not arise here.

THE HON. PANDIT HIRDAY NATH KUNZRU: Have booklets of this kind been circulated in the other Dominions also?

THE HON. MR. A. E. PORTER: Yes, Sir.

THE HON. PANDIT HIRDAY NATH KUNZRU: Have they been circulated in South Africa?

THE HON. MR. A. E. PORTER: I shall have to have notice of that question.

COMMODITIES FOR UNRRA

48. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Has the attention of Government been drawn to the following observations made by Mr. Francis B. Sayre, Head of the UNRRA Mission in India, in course of a talk broadcast from the All India Radio, Delhi, on or about the 22nd July 1945:—

"Our Mission seeks through discussions held with Indian Government officials to ascertain what commodities India can best spare without dislocating its own economy, or draining away resources needed by her own people"?

(*b*) Will Government state what commodities, indicating their varieties and quantities separately, India has agreed to spare as a result of the visit of the UNRRA Mission to this country?

(*c*) Is it intended to establish in India the main office of the UNRRA in the Far East? If so, where is it proposed to be located?

THE HON. MR. N. R. PILLAI: (*a*) Yes.

(*b*) A statement is laid on the table.

(*c*) The answer to the first part of the question is in the negative. The latter part does not arise.

Statement showing quantities and varieties of commodities procured for UNRRA against India's contribution

Commadity	Quantity
1. Jute Manufactures:	
(*a*) 'B' Twills (Bags) .	
(*b*) Hessian Bags (22″ × 36″)	
(*c*) Hessian Bags (24″ × 40″)	23,190 tons
(*d*) Sand Bags (14″ × 30″) .	
(*e*) Jute Bags . . .	
(*f*) Jute Baling Cloth .	
2. Raw Jute	
3. Raw Cotton:	
(*a*) Sind 289 F27/32″ .	4,438 bales
(*b*) Surti 7/8″ . . .	1,625 ,,
(*c*) Sind N. T. 7/8″ . .	24,497 ,,
(*d*) Jarilla 13/16″ . .	11,000 ,,
(*e*) Punjab 15/16″ . .	2,855 ,,
Total	44,415
4. Groundnuts	70,000 tons
5. Tea	2½ million lbs.
6. Pepper	1,000 tons
7. Red Cross Parcels	1,80,648 Nos.
8. Coir Yarn	300 metric tons
9. Manganese Ore	5,000 ,, ,,
10. Bandage Cloth:	
(*a*) Bandage Cloth (36″ wide)	1,400,000 yds.
(*b*) Loose Woven Bandage for Plaster of Paris (6″ × 6 yds.)	8,00,000 pieces
11. Surgical Instruments	Various items.

INDIAN PRESS REPRESENTATIVES AT THE SAN FRANCISCO CONFERENCE

49. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Did Government receive any protest from the Standing Committee of the All India Newspaper Conference, against the unsatisfactory nature of the arrangements for the accreditation of Indian Press representatives at the San Francisco Conference? Will Government indicate the nature of the difficulties and restrictions complained against, and the steps taken by them to remedy the same?

(*b*) Which Indian and Anglo-Indian Press representatives were allowed to attend the San Francisco Conference for the purpose of reporting; and were their reports subjected to censure?

LT.-GENERAL THE HON. SIR THOMAS HUTTON: (*a*) Yes. The All India Newspaper Editors' Conference complained about the smallness of the number of Press representatives for whom Government were able to arrange facilities, and also of the apportionment of only three out of the five seats to members of the All India Newspaper Editors' Conference. The number of Press representatives was governed by three factors, namely, (*i*) availability of air passages to America, (*ii*) accommodation in San Francisco, and (*iii*) provision of dollars. Only three seats could be offered to All India Newspaper Editors' Conference as Government did

not consider it proper to impose any disability on non-members of the Conference. Moreover certain newspapers which were members of the All India Newspaper Editors' Conference had made direct arrangements with the United States Government for their representatives to attend the San Francisco Conference. These were in addition to the three seats offered to the All India Newspaper Editors' Conference by the Government of India.

(*b*) Government have no information that any Indian representatives were prohibited from attending the San Francisco Conference. Facilities were provided by the Government of India for the following five Press representatives to proceed to the United States of America in order to attend the Conference :—

1. Mr. Amritlal Sheth
2. ,, S. A. Sabavalla.
3. ,, A. N. Sivaraman.
4. ,, Tyeb Shaikh.
5. ,, S. Vedaratnam.

The first three of these were nominated by the All India Newspaper Editors' Conference.

The messages sent by these correspondents, like all other press messages entering India during the war, passed through censorship. None of them was, however, stopped in censorship.

Restriction on Indian Journalists travelling in Liberated Countries

50. The Hon. Raja YUVERAJ DUTTA SINGH: Are there any restrictions placed on Indian journalists against travelling in all liberated countries and reporting objectively on the state of those countries ? If so, what are they ; and what steps have been taken by Government to remove them ?

His Excellency the COMMANDER-IN-CHIEF: Before any civilian of any nationality can enter a liberated country while it is still under Allied military administration, he must get permission from the military authourities concerned.

The way for a journalist who wishes to proceed to such countries is to be accredited as a war correspondent. The remainder of the question does not arise.

Telephone System in Lucknow

51. The Hon. Raja YUVERAJ DUTTA SINGH: Has the attention of Government been drawn to a communication published in the *Hindustan Times*, dated the 1st August, 1945, Dak edition, entitled " Lucknow city's decrepit telephone system, delay, interruptions, and cross-connections "? What steps have been taken or are proposed to be taken to remedy the defects and to remove the complaints made against the Lucknow Telephone System ?

The Hon. Sir MAHOMED USMAN: Yes. The matter has been investigated and steps have been taken to remedy all the defects so far as possible in the present circumstances.

The Hon. Pandit HIRDAY NATH KUNZRU: If Government are considering the desirability of making the telephone service more useful, will they take into consideration the inefficiency of the telephone service in Calcutta and take steps to improve it ?

The Hon. Sir MAHOMED USMAN: We have already taken that into consideration and steps are being taken to improve the service in Calcutta.

TRADE AGREEMENT WITH SWEDEN

52. THE HON. RAJA YUVERAJ DUTTA SINGH: Is there any proposal for trade agreement between Sweden and India? If so, what are the main features of it?

THE HON. MR. N. R. PILLAI: No, Sir.

The second part of the question does not arise.

DELHI PROVINCE

53. THE HON. RAJA YUVERAJ DUTTA SINGH: Is there any proposal to enlarge the Delhi Province by including in it the Jat areas of Eastern Punjab, and the Jat and Rajput areas of the Western U. P.? If so, will Government make a statement on the subject, indicating the main features of the scheme?

THE HON. MR. A. E. PORTER: No.

SIGNING OF THE JAPANESE SURRENDER INSTRUMENT

54. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Is it a fact that Admiral Sir Bruce Fraser, Commander-in-Chief of the British Pacific fleet, signed the Japanese surrender document on behalf of India?

(*b*) If so, did he represent the Government of India or the people of this country?

(*c*) Was there no Indian vested with the requisite authority to sign for India?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (*a*), (*b*) and (*c*). No, Sir.

It so happened that at the time there were no units from India, Canada or South Africa engaged in operations in the South West Pacific Area. Accordingly none of these countries was represented at the signing of the surrender instrument on board the USS *Missouri* in Tokio Bay. I should explain that this was a military ceremony, and that the proper occasion for the representation of every Government which took part in the war will be at the signing of the final peace treaty.

CIVILIAN CLAIMS AGAINST BRITISH ARMED FORCES FOR TRAFFIC ACCIDENTS, ETC.

55. THE HON. RAJA YUVERAJ DUTTA SINGH: Will Government make a statement relating to the Claims Commission (India) Organisation, which has been set up for the investigation of civilian claims against the British Armed Forces in India, arising out of traffic accidents and "Civil Wrongs" and kindred matters, indicating the total amount and classification of such claims received uptodate, the total amount of claims admitted and the amount of claims still outstanding?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I lay a statement on the table.

The Claims Commission (India), comprising representatives of the War Department, Legislative Department, Military Finance Department and all three Services, was set up to deal with claims in India made by or against the Armed Forces (British, Indian, Dominion and Allied) or the personnel thereof, arising out of traffic accidents, training or manœuvres and occurrences in the nature of civil wrongs, whereby personal injury or loss of life or property or damage to land, crops or other property has resulted, in circumstances for which the Armed Forces, or the Central Government on their behalf, allege or accept responsibility, but excluding claims in respect of which any other authority for settlement is prescribed by law. The Commission is also responsible for advising on measures to minimize accidents and damage and for maintaining statistics.

2. Navy, Army and Air Force Orders have been issued providing for immediate report to Claims Commission Officers of all incidents liable to give rise to claims by or against members of the civil population.

3. The Commission discharges its functions through Executive Officers, and 18 District Offices of the Claims Commission, have been located throughout India, as follows:—

Northern Command	*Southern Command*	*Eastern Command.*
Rawalpindi.	Bangalore.	Calcutta.
Karachi.	Bombay.	Ranchi.
	Poona.	Shillong.
Central Command	Secunderabad.	Imphal
	Madras.	Chittagong
Delhi.	Coimbatore.	Comilla.
Lahore.		
Lucknow.		
Nagpur.		

4. All incidents liable to give rise to claims which are reported either from Service or civilian sources are promptly investigated by Claims Commission District Officers who are located as above. Claims when received are investigated and considered on their merits and in all proper cases reasonable compensation paid *exgratia* without admission of liability on the part of Government and the Services. Graded financial powers have been delegated to Claims Commission Officers according to appointment in order to ensure rapid disposal of smaller cases. All Claims Commission Officers work under the general directions of senior officers at Command H.Q. and G.H.Q., and all are responsible for their technical duties to the Commission itself.

5. The Commission commenced to function with effect from the 1st January 1945. From that date to the 25th December 1945 the Commission had registered 21,267 cases, which are classified as follows :—

1. Traffic Accident cases	16,448
2. Training and Manœuvre cases	1,208
3. Miscellaneous cases	3,611
Total .	21,267

(The majority of Training and Manœuvre claims have not concerned the Commission and have been disposed of under Defence of India Rules by the authorities prescribed therein.)

6. Of 21,267 which is the total number of all classes of cases registered by the Commission, 17,346 had been disposed of up to the 25th December 1945, and *ex gratia* payments amounting to Rs. 14,98,754-13-11 had been made.

7. The number of registered cases outstanding and under investigation as at the 25th December 1945 was 3,921, in 2,643 of which claims, which will probably involve disbursement of over two lakhs of rupees, had actually been intimated up to that date. (In this connection it should be noted that all incidents *which may give rise to claims* are registered and investigated by Claims Commission Officers on information supplied from Service or civilian sources, whether or not a claim is actually received, so that if and when a claim is made all relevant information is available to enable the case to be dealt with expeditiously).

Signing of the Japanese Surrender Instrument

56. The Hon. Raja YUVERAJ DUTTA SINGH: Will Government state why they took no steps to secure the signature of the representative of the Indian Army, or of India, at the signing of Japanese surrender terms on board the Missouri in Tokio Bay, or at the surrender of Singapore, or Burma ?

His Excellency the COMMANDER-IN-CHIEF: At Rangoon, on the 28th of August 1945, Lt.-General Browning, Chief of Staff, South East Asia Command, deputised for Admiral Mountbatten and alone signed the local agreement on behalf of all the Allies. As regards what happened on board the USS *Missouri* in Tokio Bay, I have just explained the position a few minutes ago.

At Singapore, however, on September the 12th, both General Slim and Brigadier Thaimayya signed as representatives of the Indian Army.

GARRISON DUTY BY THE INDIAN TROOPS

57. THE HON. RAJA YUVERAJ DUTTA SINGH: Will Government state the number of Indian troops, if any, doing garrison duty in Japan; and other places in the Far East? What is the cost involved and how is it borne?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: It would not be in the public interest to give the figures asked for, but I may state that none of the cost involved is or will be borne by India except in the case of Indian troops who may be employed on garrison duty in Japan. In respect of Indian troops which do take part in the occupation of Japan, India will bear such part of the costs as are not recoverable from the Japanese Government. The amount of this share cannot at the moment be calculated with any exactitude.

THE HON. MR. M. THIRUMALA ROW: May I know what is the interest of India in keeping Indian troops for the occupation of Japan and for garrison duty there?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: The Government of India have sanctioned the despatch of Indian troops for taking part in the occupation of Japan in common with the troops from other Allied Nations and these troops are likely to depart from India in the near future.

THE HON. MR. M. THIRUMALA ROW: Are Indian troops doing garrison duty in Germany also?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: No, Sir.

RACIAL DISCRIMINATION IN THE ROYAL INDIAN AIR FORCE

58. THE HON. RAJA YUVERAJ DUTTA SINGH: Has the attention of Government been drawn to a letter signed Ravinder Nath Seth, former R. I, A. F. Officer, published in the *Hindustan Times*, dated the 13th November 1945. (Dak Edition) who had to resign his commission after about two years of service as a protest against racial discrimination and colour prejudice prevailing in the Royal Indian Air Force? Will Government make a statement on the subject and indicate what practical steps have been taken to remove the complaint?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I lay a statement on the table.

The attention of Government has been drawn to the letter in question. In the first place, there can be no question of racial discrimination or colour prejudice prevailing in the Royal, Indian Air Force as it is a wholly Indian force composed of Indian officers and Indian other ranks. The only British officers or other ranks serving with it are on attachment and are limited to the small numbers necessary to ensure its proper development. Mr. Seth's letter is based on the theory that the pay and other conditions of service of the other ranks of the Royal Indian Air Force should be in all respects identical with those of the R. A. F. This is a proposition which has never been accepted by Government and is one which, carried to its logical conclusion, would upset the balance not only between the three Indian Defence Services but also with comparable civil wages and would, eventually, have the gravest repercussions. In fact, the present pay and conditions of service of the R. I. A. F. other ranks are conditioned by the economy of India and are related to the pay and conditions of service of comparable classes in the R. I. N. and Indian Army and in civil life. The Government of India, however, are always prepared to consider any reasonable suggestions for the improvement of the conditions of service of its Defence forces. As the Hon'ble Member is aware, a Post War Pay Committee has just been appointed to consider the future pay of the Indian Defence Services and its consideration will include the question of family allowances. In regard to rail travel it has been decided that, with effect from January 1946, Flight Sergeants, R. I. A. F., may travel Inter Class on all occasions and the question of what further improvement is justified is now being considered on an Inter Service basis. Hospital attention for the R. I. A F. is mainly the responsibility of the Army and Indian airmen are treated in the same way as Indian soldiers. No discrimination between Indian and British troops is permitted. At certain stations where this is possible separate wards for R. I. A. F. airmen have been set apart by the Army authorities. The extension of this system to other hospitals will depend on the Post-war locations of R. I. A. F. squadrons and units and efforts will be made to introduce it wherever numbers justify it. The statement regarding lack of books and indoor games in I. M. Hospitals is not now correct. Since the supply of amenities became more plentiful, Indian Military Hospitals have received a satisfactory quota. Officers wards only exist in Indian Military Hospitals where there is no British or combined Hospital, and are very few and far between. Indian officers are accommodated in the same wards as British Officers.

Indian airmen share in the entertainment provided for B. O. Rs. and in addition, are provided with Indian Films and concert parties organised by Fauji Dilkhush Sabhas. British Combined Kine matography Shows have in some months been attended by as many as 10,000 to 20,000 Indian airmen. Furthermore, in the more populous centres, there is a considerable civilian entertainment catering for Indian tastes. Fauji Dilkhush Sabhas cannot employ artists of the same calibres as E. N. S. A. because first class Indian artists are relatively few in numbers and do not find it easy to tour or to accept the rates of remuneration offered by the Fauji Dilkhhus Sabhas.

It is not the policy of Government that canteens should cater for British tastes only, and efforts have been made to encourage canteen contractors to provide adequate facilities for Indian airmen. The arrangements are not entirely satisfactory as contractors are unwilling to effect large improvements owing to the comparatively small purchasing power of Indian airmen. This matter is being carefully less watched and it is hoped that improvement will be systematic and continuous.

Hindi Script on Coins

59. The Hon. Raja YUVERAJ DUTTA SINGH: Will Government consider the advisibility of introducing Hindi script also along with English and Urdu on the new design of the proposed coins in India ?

The Hon. Sir CYRIL JONES: Government have already decided that the new coinage should bear the denomination in the English, Hindi and Urdu scripts.

Number and Whereabouts of Indians sent by the Japanese to work in Pacific Islands

60. The Hon. Raja YUVERAJ DUTTA SINGH: Will Government give full information, so far as available, regarding the number and whereabouts and other particulars of thousands of Indians in Malaya, and their dependents, who were arrested by the Japanese, and forcibly sent to work in Pacific Islands ?

The Hon. Dr. N. B. KHARE: The information is not available.

The Hon. Mr. M. THIRUMALA ROW: Will Government see that such information is collected ?

The Hon. Dr. N. B. KHARE: It is reported that the Japanese destroyed all the records before surrender and therefore this information can never be collected now.

The Hon. Mr. M. THIRUMALA ROW: We will be glad to know what efforts the Government of India are making to safeguard the interests of Indians in Malaya and other places, and to do all that is necessary for their protection.

The Hon. Dr. N. B. KHARE: We are making enough efforts.

The Hon. Pandit HIRDAY NATH KUNZRU: Are Government unable to make a statement even with regard to the approximate number of Indian labourers sent by the Japanese to work in the various Pacific Islands and Siam ?

The Hon. Dr. N. B. KHARE: I have already said that no information is available and I have given the reason for it.

The Hon. Pandit HIRDAY NATH KUNZRU: Even with regard to the approximate number of labourers sent by the Japanese to Siam ? Surely they have some information on that subject.

The Hon. Dr. N. B. KHARE: The information asked for in this question is not available.

The Hon. Pandit HIRDAY NATH KUNZRU: Cannot the Government of India ask their Agent in Malaya to gather this information and try to lay it on the table afterwards ?

The Hon. Dr. N. B. KHARE: We shall make an attempt.

DEATH OF SIR RENWICK HADDOW

THE HON. THE PRESIDENT: Hon. Members, you must have read this morning in the local papers of the sad and untimely death of one of our colleagues in Calcutta, the Hon. Sir Renwick Haddow. He was to have come here yesterday to take his oath of allegiance, but illness has cut him off and he has not been able therefore to take his seat for the second time in this House. He was first elected to this House in 1941 and served for two years. He was again elected in August last by the same constituency but unfortunately death has prevented him from coming to this House and serve a second term of office. We all regret that this painful event has happened. We all found in Sir Renwick Haddow a very capable and useful member of this Council. He was the senior partner of Messrs. Mackinnon, Mackenzie and Co. and he took so much interest in the affairs of India, that he always took delight in working in this House and rendering public service. I am grieved that this session we have lost so many useful and worthy members and I know you all share with me the loss the House has sustained.

THE HON. SIR MAHOMED USMAN (Leader of the House): Sir, I beg to associate myself with all that you have said. It is very sad that soon after the condolence resolution we passed yesterday we have to pass another similar resolution today. I request you, Sir, to convey to the family of the deceased our condolences.

THE HON. THE PRESIDENT: I shall do so

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern: Non-Muhammadan): Sir, may I associate myself with what has fallen from you. Sir Renwick Haddow was a Member of this House only for a short time, but by his pleasant manners and modesty he made himself liked by all the Members of this House. We are indeed very sorry to learn that he has passed away.

THE HON. MR. G. S. MOTILAL (Bombay: Non-Muhammadan): On behalf of my Party, I should like to associate myself with what has fallen from you and other Members and to express our sense of sorrow over the death of the Member.

THE HON. SAIYED MOHAMED PADSHAH SAHIB BAHADUR (Madras: Muhammadan): I also associate myself with the expression of sorrow which has been made by yourself and the other Hon. Members on the untimely death of our erstwhile colleague.

BRIGADIER THE HON. SIR S. HISSAMUDDIN BAHADUR (Nominated Non-official): Sir, I also associate myself with the remarks made by you.

THE HON. MR. J. M. B. GIBBONS (Bombay Chamber of Commerce): Sir, on behalf of myself and my colleagues, may I be permitted to offer you and other Hon. Members our very sincere thanks for the kind words of sympathy and condolence you have so generously expressed on the death of the Hon. Member?

RESOLUTION *RE* RESTORATION TO INDIA OF HER CONTRIBUTION TO THE EMPIRE DOLLAR POOL AND HER DISSOCIATION FROM IT

THE HON. MR. G. S. MOTILAL (Bombay: Non-Muhammadan): Sir, I move:—

"This Council recommends to the Governor General in Council to take steps for the restoration to India of her contribution to the Empire Dollar Pool and her dissociation from it."

Before the war, Sir, one hundred and one ways and methods were employed for the exploitation of the resources of this country. When the war came, new methods were devised and adopted for further and more intensive exploitation of this country. One of those methods is the creation of the Dollar Pool and the association of the Government of India with it. In this way India's resources have been jettisoned to the resources of the British Empire.

I should now like to describe in as simple a language as I can what the Dollar Pool is. This Dollar Pool does not exist by any legislative measure adopted by any of the Houses of this Legislature. It is a creation of the war powers, powers obtained by the Government of India from the Defence of India Rules. What it amounts to is this. India's Dollar resources or India's dollar holdings which have accrued to India have been transferred to the British Exchequer—call it Dollar Pool, Empire Dollar Pool or British Exchequer Pool. How it came into existence might now be stated. It was on the 23rd of November 1940 that an order of the Finance Department was issued, the order relating to transfer of U.S.A. Dollar Balances to the Central Government. The order ran thus :—

" In exercise of the powers conferred by sub-rule (2) of rule 92 of the Defence of India Rules the Central Government hereby orders every person who owns any balance or balances, whether held in British India or abroad, expressed in the currency of the United States of America, to offer or cause to be offered, before the expiration of one month from the date of this order, such balance or balances for sale to the Reserve Bank of India on behalf of the Central Government at any of the offices of the said Bank at Bombay, Calcutta, Madras, Karachi and Delhi against payment of the equivalent value in rupees calculated on a basis, which, in the opinion of the Reserve Bank of India, represents the current buying rate for telegraphic transfers on the United States of America. "

In this way the dollar holdings in United States securities or United States dollar investments by all persons in British India were taken over by the Government of India and handed over to the Dollar Pool. One saving grace, however, of it was that the Indian States which have a little more independence than British India were saved from the clutches of this order. Then, other methods which were employed to enrich this Dollar Pool were the favourable trade balances of India. Since 1938-39 private commerce continued between the Government of India and the United States and such favourable balances which accrued to India were also put into this Dollar Pool. Thirdly, the contribution made to the Dollar Pool accrued from the expenditure of the United States of America in India for which the U.S.A. paid in cash dollars. The fourth item which went to swell it was the personal expenditure of the American forces stationed in India and of those temporarily residing in India or when passing from one theatre of war to another. Various estimates of these figures have been made by competent persons and questions relating to Dollar Pool were asked on the floor of this House as well as in another place ; but the Government have maintained throughout a sinister secrecy about it. When it did not suit them to disclose those figures, they refused to give the information to the House, to the country, and to the Legislature and on the ground that it was not in the public interest to give that information. This has become a very convenient phrase and the members of this House have come to feel that this very phrase should not have been used or that what justification there was for it should have been placed before the House. Once the Dollar Pool is created, everyone knows that India's resources are going to the Dollar Pool. It is a purely financial transaction. This did not constitute ammunition or war materials or aeroplanes or tanks. This was the amount which ordinarily passed and which only was of a financial character. But the Government has maintained a secrecy—an indefensible secrecy—which has no moral justification for it. Well that secrecy was maintained during the war. Whatever excuse there existed during the currency of the war is no more now available to them. The war came to an end in June. The war in Europe came to an end in the month of June and the other in August and up to this date the Government have refused to give those figures. We have all got to imagine and infer what the reason is behind it. The figures which related to the war are available to the public. The figures of the Lend-Lease assistance received by this country and provided by this country are refused by this Government, but the Government of the United States has given those figures and printed them and all those reports are available to every one. They might or might not have been available to the enemy countries and if this Government were concerned they would simply take shelter under the plea of war being there and that these figures required secrecy. Well, the figures of the Lend-Lease Aid and the Reverse Aid which the United States has published are very illuminating and I am sure the Government are aware of those reports. I am referring, Sir, to the periodical Reports which the President of the United States presents to the Congress of the United States.

[Mr. G. S. Motilal]

Those reports are made every three months and we get a wealth of information from those figures. If they could not be of any use to the enemy I fail to understand how the information regarding the quantum of the Dollar Pool could be of any use to the enemy and when there has been no enemy left who could make use of them during the last few months. They have now issued about 20 Reports. The latest copy that I possess is of the Seventeenth Report to the Congress. They are very illuminating reports, full of figures, charts and graphs which I think this Government for the life of it will not be able to learn or produce. We get here the entire Lend-Lease Aid given to the various countries: how much was given to the United Kingdom, how much of it was given to Russia, how much to India, how much to various other countries and what were the articles which were provided. For the benefit of the House I will read——

THE HON. THE PRESIDENT : If it has a bearing on your Resolution.

THE HON. MR. G. S. MOTILAL : The bearing that it has on my Resolution is this that the information which is disclosed in the Report and has been widely published is very relevant to the war purposes and yet this Government will not tell you what the quantum of the Dollar Pool is. There is nothing which could have been of any use to the enemy. Under the Lend-Lease Aid the goods transferred by the United States come to :—

Munitions	12 million dollars
Industrial materials and products	5 million dollars
Agricultural products	3 million dollars
Total transfers .	20 million dollars
Services rendered	4·32 million dollars
Rental of ships, ferrying of aircrafts, etc. about . . .	2 million dollars
Production facilities in U. S. A.	600 dollars

so on and so forth.

Then we come to India and here we find information with regard to India. The Reverse Lend-Lease Aid furnished to the United States in India up to March, 1944, totalled almost 150 million dollars. This came to us without payment on our part. It consisted of petroleum products, including aviation gasoline from the British Refinery at Abadan for the United States Air Force in India. The other supplies received in the two months of January and February 1944 alone included 6,800,000 lbs. of vegetables ; 170,000 pairs of socks, 300,000 yards of cloth, 175,000 pairs of trousers ; 700,000 gallons of Diesel oil ; 4 million lbs. of meat and fish; 2 million lbs. of fruit ; 1 million lbs. of beverages and 500,000 lbs. of bread. I shall not read the other details. Now my point is this that you get such detailed information for the Lend-Lease Aid from these reports which this Government has never put before you and all the time it has been pleaded that it will jeopardise the Defence interests. I am sure in view of the publication of these reports the argument that the figures could not be given as they would be of use to the enemy loses all its force as these reports would also have been available to the enemy. But the United States did not take the same view and this view is certainly not a tenable view. It is obvious that this view is utterly utenable, and the people should have the information which they want unless—I shall not be so very uncharitable as to say—the Government want to manipulate figures later on to the disadvantage of India.

Sir, a situation arose when the Dollar resources or rather the bullion holdings of the Bank of England went down to £ 3 million from the very huge sum which it was before the war and this machinery of a Dollar Pool was then resorted to. Now, through the operation of this Dollar Pool, also assisted by it, the dollar and the gold resources of the Bank of England have gone up to 600 million dollars. I say, Sir, that this is the time when Government ought not to have any reason to refuse this information to the House. They have kept

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us in the dark. But they cannot keep us too long in the dark. We have also made our estimates. There are others who are in a position to disclose this information. Is it in the interests of the Government that this information should come to this country through other sources and that it should be denied to us--

THE HON. THE PRESIDENT: I must tell the Hon. Member that he is digressing from the tenor of his Resolution.

THE HON. MR. G. S. MOTILAL: It is all relevant.

THE HON. THE PRESIDENT: All these are subsidiary matters.

THE HON. MR. G. S. MOTILAL: Subsidiary matters can also be referred to. I am saying this because they do not give these figures and we have to refer to the figures which we get from other authorities. Some time back Mr. Emmanuel Celler said:—

"Although India has established a billion and a half of dollar credit, she was unable to use her money to purchase her needed capital goods from America."

That is a United Press of America Message from New York, dated July 23, 1945, quoted in the *Hindustan Times*.

THE HON. THE PRESIDENT: What is the Hon. Member reading?

THE HON. MR. G. S. MOTILAL: I am reading from a note which I have taken.

THE HON. THE PRESIDENT: From a newspaper?

THE HON. MR. G. S. MOTILAL: This is a report from a newspaper. This is not a newspaper.

So Sir, according to Mr. Emmanuel Celler, this is the figure of the Dollar Pool.

Now, I will read from the speech of Mr. Dalton which has been taken from *Hansard*. This is what he said as Chancellor of the Exchequer during the course of his speech on the Anglo-American Loan Agreement:—

"We began the war with a reserve of a little over £600,000,000 of gold and dollars, as against sterling liabilities of £496,000,000. But in April 1941, immediately before lend-lease began, our reserves had practically vanished; they had fallen to the dangerously low figure of £3,000,000 sterling net."

THE HON. THE PRESIDENT: The Hon. Member has already exceeded his time. He should conclude his remarks.

THE HON. MR. G. S. MOTILAL: There are one or two points which I wish to make. What I say now is this, that the dollar resources of the Bank of England have been replenished, and in Mr. Dalton's speech it has been admitted that they have been replenished, and a very large contribution to it is from India. I say that this is the time when you should press your claim upon His Majesty's Government and get back your dollar resources. We want to get consumer goods for this country; we want to get capital goods for this country. England is not in a position to supply them for some time to come. The United States was in a position to supply them much earlier. Therefore, it is the duty of this Government to get back the dollars so that India may not be kept starving.

Sir, I move.

THE HON. MR. M. N. DALAL (Bombay: Non-Muhammadan): Mr. President, it will be recalled that at the outbreak of the war, with the institution of exchange control in the United Kingdom and the Allied countries, all the dollar resources of those countries were pooled together for purchase of military materials for the prosecution of the war. Although the dollars accruing to this country on account of our favourable trade balance with the United States of America and on account of the dollars and securities requisitioned from private individuals were put in this common pool, it has been the grievance of the Indian commercial community, that we were not informed how these dollars were utilised. Although the President of the United

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States of America had given to the U.S. Congress very detailed figures of lend-lease articles supplied to Allied Countries, such category of goods like munitions, plant, equipment, raw materials and so on, we were not given the same, on the pretext that it was in the nature of a war secret. If the publication of information vitally related to war was not considered prejudicial in the U.S.A. there was no reason to withhold purely financial information from us. Now that the war is over, and the dollar position of His Majesty's Government has improved considerably during the last few months, the Dollar Pool should be closed, especially in view of the fact very modest suggestion of the Indian delegation that a portion of our sterling assets should be converted into international currencies, was turned down at the Bretton Woods Conference. In view of the developments that may take place as a result of the establishment of an International Monetary Fund or some sort of monetary arrangement in future, it is all the more necessary that India should have independent dollar resources of her own for her post-war economic development. It is imperative, therefore, that India's share of the dollar resources should be given back to her on a fair *pro rata* basis.

The Hon. the Finance Member in his Budget speech in February, 1944, mentioned that a portion of India's dollars accruing from her favourable trade balance with the United States of America would be earmarked for this country.

THE HON. MR. G. S. MOTILAL: A portion only.

THE HON. MR. M. N. DALAL: A portion only. But we are not aware as to what portion of the total of India's favourable trade balance with the United States is thus earmarked. Twenty million dollars are earmarked for the year 1944, and 20 million dollars for the year 1945. But this is a negligible amount considering the needs of this country. Again, we are not aware as to what arrangements are being made with regard to the U.S. surplus materials bought in this country. India is in urgent need of finance for financing her purchases of capital goods, and we cannot afford to put any further strain on the 20 million dollars, earmarked for this year, for payment for the surplus goods which have been purchased. We would further like to know if any definite policy has been laid down for the best possible utilisation of our Dollars and what proportion is earmarked for plant, machinery, raw materials, industries, chemicals, metals, etc. and for securing expert technical advice, plants, designs, patent rights, etc. If no portion of our Dollars is earmarked for these capital goods, we should at least like to have an assurance from Government that they will give the first and highest priority to the importation of capital goods as against ordinary consumer goods. I should again like to ask for an assurance from Government that no consumer goods will be brought into this country and paid for from the Dollar Pool so long as they are available in the Sterling area or so long as they can be manufactured in this country. Finally, Sir, I should like to point out that although there is a possibility of closing down the Empire Dollar Pool under Article 7 of the Anglo-American agreement, the agreement provides a proportionate reduction of the release of payment of sterling balances when America waives the interest which the United Kingdom Government has to pay. Under this agreement, even the balances left after such reductions are to be distributed over a period of years starting from the year 1951. For the successful working of the post-war plan and rapid industrialisation, our total sterling balances should be available forthwith. India can, under no circumstances, agree to the scaling down of her Sterling balances nor can it agree under the present circumstances to accept payment spread over a number of years which will bring to naught all our post-war plans. A Delegation is to be sent from India to England recently and I would request the Government of India to impress upon that Delegation to press these two vitally important points and be very adamant for securing them.

With these words, Sir, I reiterate the demand and the urgent need of the immediate dissolution of the Empire Dollar Pool and the complete restoration to India of her contribution in the Empire Dollar Pool.

THE HON. THE PRESIDENT: Thank you very much. You have made a very pertinent speech.

THE HON. SIR CYRIL JONES (Finance Secretary): Sir, I think it is all to the good that an opportunity should be given in this House for ventilating a matter of this sort, which is of considerable importance to the country, but which is a very technical subject in itself and rather apt to give rise to a certain amount of misunderstanding of the real position. The Resolution itself is in two parts, and with your permission, Sir, I would like to take the second part first, the part which requests the immediate withdrawal of India from the Empire Dollar Pool. My impression is that there is a general misapprehension in the first place as to what the Empire Dollar Pool is. For instance, the Hon. Mover of this Resolution said that the Pool began with the requisitioning of dollar securities held by residents in India. I can assure him that that is not a fact. The "Empire Dollar Pool" is only the name given to the Sterling area arrangement (which had already been in existence for something like a century) when it came up against peculiar difficulties during the course of the war. The Sterling area arrangement was an arrangement by which Empire countries and certain other countries arranged their international trade and their external financial business through London as a method both convenient and economical. Sterling before the war was freely convertible into any currency in the world, and by maintaining a sterling reserve the amounts of any world currencies required for payment were obtainable at any time and individual countries were saved the trouble, expense and wastefulness of maintaining their own balances in the various capitals of the world. That was the Sterling area arrangement. As the war progressed, the foreign balances held in London on behalf of the Sterling area group of countries in some cases—those that we call hard currency countries—began to be progressively exhausted. I do not think I need go into the reasons for that progressive exhaustion. They must be known to Hon. Members. There was the dual effect of increased payments on account of war requirements and of reduced supply, the latter partly on account of reduced exporting capacity of countries like the United Kingdom and partly because certain Empire countries which had contributed to the Exchange resources in London before the war, such as Malaya, were over-run by the enemy. Malaya, of all the Sterling area countries, was the biggest Dollar earner for instance, and their surplus Dollars accumulated in London and became available for expenditure by any other Sterling area country which required them. When Dollars and certain other currencies became scarce, it was a matter of commonsense, as has been publicly admitted by the United States Administration itself, that there should be a sort of pooling arrangement, or rationing *via* exchange control, in respect of these hard currencies, so as to utilise them to the best advantage for the dual purpose, firstly, of meeting war requirements which naturally were given first priority and secondly, of meeting the essential civil requirements necessary for maintaining the civil economies of the various Sterling area countries. That was undoubtedly an appropriate arrangement. I do not think any body would question its wisdom, and it undoubtedly contributed materially to the winning of this war which was of fundamental importance to each of the various countries participating in this co-operative arrangement. The principle of the pooling system was that all participating countries contributed what they could according to their ability and each country drew from the pool according to its needs, whether it be for winning of the war or for meeting essential civil requirements. But the arrangement was never intended to be permanent, and the intention always was that the moment the necessity for it passed and sterling returned to its pre-war position, the pooling or control arrangement would be discarded. I think the House will understand that the United Kingdom will be only too anxious to restore sterling to its pre-war position of free multilateral convertibility at the earliest possible moment, and the United States for their part are equally keen because so long as exchange control has to be applied on account of scarcity of certain currencies, it inevitably involves a certain amount of trade discrimination which the United States want to see abolished at the earliest possible moment. Therefore the House can rest assured that it is in the common interests of the United Kingdom and the United States of America in particular, as it is of all the Empire and other countries in the world, that this restrictive pooling arrangement should cease and with it the corresponding exchange control and artificial direction of trade, should cease at the earliest possible moment. That is the objective of all the countries concerned and it so happens that at this present moment we are at least getting in sight of that objective. By the terms of the Anglo-American

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Financial Agreement recently concluded in Washington, which I must remind the House is still subject to ratification by the Congress of the United States, by the terms of that Agreement, the United Kingdom has undertaken that within one year of the effective date of the Agreement all sterling receipts from current transactions of all Sterling area countries will be freely available for current transactions in any currency area without discrimination. In other words, each member of the Sterling area will have its whole current receipts, whether sterling, dollar or any other currency, at its free disposal for current transactions anywhere in the world. In other words, the Sterling area dollar pool arrangement will automatically cease from, we hope, something like the Spring of 1947. Seeing then that India's essential current requirements are being catered for by the Pool, as are those of other Sterling area countries; that we still have a comfortable balance in our post-war dollar fund, which has been specially earmarked for the purchase of capital goods for India's post-war reconstruction entirely outside the working of the Pool, and that the life of the Pool itself is strictly limited; I would suggest for the consideration of this House that it is premature altogether to talk of withdrawing now from the Pool unless some clear advantage could be shown to result from such withdrawal. And in this connection I submit that it is significant that for many months now—18 months to 2 years—the balance of trade between India and the United States of America has been running against India. Putting that in other words, India, who during the war was in the fortunate position of being able to contribute to this Pool nett, is now beginning to reap the benefits of her membership of the Pool, which is financing India's current deficit not only in those currencies in respect of which India's trade has always been adverse, such as Swiss francs, Swedish kroner and so on, but also in United States dollars in relation to which for some time past there is and has been a deficit. If we were to withdraw from the Pool at this stage, Indian payments in dollars would necessarily have to be limited to India's earnings of dollars, and even appreciably less, because the Reserve Bank would have to build up adequate reserves in New York, which itself would take a considerable time. Similarly with the other currencies, and the Reserve Bank would have to hold balances in a large number of the capitals of the world which is a wasteful expedient to obviate which the Sterling area arrangement was developed, as I said, some hundred or more years ago. A further result of immediate withdrawal from the Pool would be a paralysing interference with established methods of trade and trade finance which have gradually grown up in the past through established connections in London and elsewhere. In these circumstances, Sir, I think it reasonable to hold that *immediate* withdrawal of India from the Pool would not be in the interests of India, and I say that without making any attempt to forecast or without attempting to give any idea as to whether or not it may turn out to be so in the future as a result of the U.S.A. Congress decision on the Anglo-American Agreement and the outcome of the Sterling balances negotiations with His Majesty's Government. I am merely considering the present time and I would submit in the circumstances it would be both premature and contrary to India's interests to walk out of this pooling arrangement immediately.

I come now to the first part of the Resolution—the return of India's net contribution. The reason for that demand, I take it, is that if India leaves the pool, she would certainly need a repayment of her net accretions to provide adequate exchange for making purchases outside the Sterling area. Hon. Members have complained of the secrecy with which the working of this Pool has been treated during the war. I suggest that if they will reflect, they will see that information as to what exactly the countries in the various theatres of war, India, Australia, etc. are drawing by way of dollars or receiving by way of lease-lend would provide the enemy with very material information as to the disposition of forces, where effort was being concentrated, and so on, and that information of this sort would be of an entirely different order from information as to the number of pairs of trousers or the number of eggs which the United States Forces were receiving on reciprocal aid from India.

THE HON. MR. G. S. MOTILAL: Munitions as well.

THE HON. SIR CYRIL JONES: Yes, we would maintain that information as to what lease-lend munitions were proceeding to different parts of the Empire from America would certainly give the enemy information which we would very much

prefer to be withheld. But now that the war is over, and with a view to ascertaining the result over the period of the war of India's transactions in hard currencies and their equivalent gold, the Hon. the Finance Member is undertaking the preparation of an objective statement designed to show how they have affected India, that is, how much of the assets in question India has earned during the war and how much India has utilised for her own purposes. It is an extremely complicated business. The channels of trade are devious; and neither the Government of India nor the Reserve Bank of India nor His Majesty's Government nor the Bank of England are in a position unaided to provide these figures. The financing of international trade through London is such a complicated business that we are not in a position individually to compile this information, but we are making a joint effort, the Government of India, the Reserve Bank, the Bank of England and His Majesty's Government; we are making a joint effort to try and draw the picture of the way that India has been affected during the war by the working of this Pool. The work is not quite completed, but it is near to completion, and we hope to be able to announce the results in the near future. All that I can say now, Sir, is that the result when it is announced will, I am afraid, come as a very great surprise to those who entertain exaggerated notions as to the contribution that India has been able to make. I am fairly certain that the net figure will be appreciably below 1/10th of figures which I have seen frequently given out by various people. So, without being in a position to disclose at this stage the exact figure (for the sole and simple reason that I do not know it) I would submit that leaving aside the question of the equity or the reasonableness of India as one partner in a co-operative enterprise demanding back her contribution in full out of the balance left in the Pool after providing for war and other essential expenditure, regardless of the claims of other participating net contributors, leaving aside that aspect altogether—which my Hon. friend Mr. Dalal met by asking for *pro rata* distribution—leaving aside that consideration altogether it might well result that immediate unilateral withdrawal on India's part might not only not help her but might actually place India in a worse position. I would like to ask the House to remember that under the Anglo-American Agreement the United Kingdom stands committed to discussions on the question of the settlement of the Sterling balances within a period of a year, and under those discussions it is anticipated and expected that arrangements will be made for a portion of India's Sterling balances to be released immediately, convertible into any currency for current transactions; and that of the part which will be released in instalments in later years the instalment each year will be similarly convertible. We have to remember also that India is not the only creditor of the United Kingdom, and the total amount of Dollars that can be made available for these releases to the United Kingdom's various creditors, however much we may want, however much we think we may be able to utilize these releases, must necessarily depend by the hard logic of the situation on the present gold-*cum*-dollar resources of the United Kingdom (or rather I should say of the Sterling area) and the prospective export surpluses to the United States of America from the Sterling area, inclusive, for instance, of countries like Malaya which I hope will soon be in a position to resume their export activities. Even if India could secure some repayment of her net contribution to the Dollar Pool now, it could only result in a corresponding diminution of the portion of India's balances to be initially released in multilaterally convertible form in the Sterling balances negotiations which will have to be embarked on now in a matter of months. Meanwhile, as I have already mentioned, in this short interim period we have the Dollar Pool to cater for our essential current requirements. We have our post-war Dollar fund to draw on for our capital goods requirements, and we have the possibility of obtaining a Dollar credit either from the International Monetary Fund or from the International Bank. I would therefore seriously suggest, Sir, that it would be far better to await the Sterling balances discussions, which are now only a few months ahead. Should those discussions take place while the present Hon. the Finance Member is in office, he has given an assurance that he intends to take as strong and representative a team as he can including, he hopes, representatives of the major political parties. It will then be for India's delegation to make their opening demand, say for example, for the immediate release from our balances of either India's net contribution to the Dollar Pool during the war, or the estimated requirements of India for the first five

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years up to 1951, whichever is greater. If then the United Kingdom were to plead inability to meet that demand, the onus of proving inability would be placed fairly and squarely upon His Majesty's Government. One cannot anticipate the trend of these discusssions but I suggest Sir, that the least we can reasonably do is to embark on the discussions which now shortly must take place, make our initial opening demand and then hear what His Majesty's Government have to say about it, and thrash the whole business out round the table.

I trust that in the light of what I have said, Sir, the Hon. the Mover will consider it unnecessary to press his Resolution at this particular stage.

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : Mr. President, my Hon. friend, the Finance Secretary has made a very useful contribution to the discussion. He has clarified some factors which were not known as fully to the House as they are known now. But in spite of his explanations and the light that he has thrown on the subject it seems to me that the matter is still somewhat shrouded in mystery. My Hon. friend Mr. Govindlal's Resolution raises a question of very great importance to the future of India. We all desire that the industrialisation of this country should proceed at a rapid pace. In order that this desire may be fulfilled it is essential that we should be able to obtain the capital goods required for the industrialisation of the country as quickly as possible from abroad. We shall be able to make our purchases abroad only if the amount of gold required by us for the purchase of the needed capital goods is available. My Hon. friend Mr. Govindlal contended or implied in the course of his speech that the existence of the Dollar Pool has from this point of view been harmful to India. The Finance Secretary, however, on the other hand said that India would, if the full facts became known, regret her dissociation from the Dollar Pool. Now, one of the reasons which he mentioned in favour of his view was that while India had been able to contribute to the Dollar Pool during the war she might find very soon that she was selling goods of less value to the United States than the good that she was receiving from there.

THE HON. SIR CYRIL JONES : No, Sir, not that she will find very soon, but that she is finding it now, and that she has been finding it for the last 18 months or so.

THE HON. PANDIT HIRDAY NATH KUNZRU : My Hon. friend corrects me and says that the situation has already arisen not merely that, but that it has been in existence for about 18 months. He further said that the Dollar Pool had been in existence for about 100 years and had proved very useful to all the countries concerned. I do not know what exactly he meant by that, for surely till the war broke out the arrangement seemed to the agricultural, the raw material producing, countries to be one-sided. It was frequently the subject of strong criticism in India that the arrangement was to the advantage of the industrialised countries, of the countries that were trying to quicken the pace of their industrialisation and build up a strong industrial economy. Now, India certainly was not in that position. England alone was in that position. But if the association of India with the Dollar Pool has so far benefited the United Kingdom, it certainly entitles India to claim, that she should be in a less favourable position in regard to the accrual of dollars than she was about a year and a half ago. The Pool that has been helped by her so far should help her out of her difficulties which we hope will be temporary. In any case, the Dollar Pool will be maintained, not if it is wholly useful to the United Kingdom or wholly useful to India, but only if it is useful to both the countries. If India could make no contribution to the Dollar Pool, I doubt whether her membership of it would be welcomed by the other members of the Pool.

Besides, there is one point in this connection which I should like my Hon. friend opposite to clarify. I should like to know whether it is not the desire of His Majesty's Government themselves, under Article 7 of the Anglo-American Agreement, to dissolve the Pool, or at any rate to withdraw from it.

THE HON. SIR CYRIL JONES : It will eventually be unnecessary.

THE HON. PANDIT HIRDAY NATH KUNZRU : If they withdraw from the Pool, naturally the Pool will be dissolved. If it is the desire of His Majesty's Government to withdraw from the Pool, it will automatically come to an end.

THE HON. SIR CYRIL JONES : Might I explain ? I am afraid I must have been a little defective in my explanation. The Pool, as people talk of it now, is nothing more than the ordinary sterling area arrangement subjected to the operation of war-time exchange controls. Before the war, and for many, many years before the war, all India's earnings of dollars went into the Pool, *viz.*, the central Empire reserves in London ; India put them in voluntarily, because she knew she could take them out whenever she wanted, to any extent she liked, and in any form required. That was the working of the pre-war sterling area. But during the war, because currencies became scarce, there had to be a rationing system by common consent, by agreement among the countries who kept their reserves in London, so that scarce currencies were used only for war and other essential purposes. It is hoped that before very long, as a result in particular of the Anglo-American Agreement, the time will come when all the countries' dollar requirements for their current transactions, whatever they may be,—and their current transactions include import of capital goods—will be met to any extent necessary. Therefore it is hoped that we are working to a stage, which should not now be so very far distant—we hope one year after the effective date of the Anglo-American Agreement—when this so-called pooling will be unnecessary, simply because the countires will continue to put their earnings from other countries into the London clearing house, as was the pre-war position, and that they will be able to take out freely whatever they may require; that is, the " Pool " as now understood will become no longer necessary, and there will be no question of maintaining the Pool or withdrawing from the Pool, but the sterling area system will revert to its original position before the war.

THE HON. PANDIT HIRDAY NATH KUNZRU : The explanation now given by the Finance Secretary shows that he took the words " dissociation from the Empire Dollar Pool " to mean dissociation from the sterling bloc. I do not know what action a self-governing India will take in regard to that matter, but that certainly was not raised either by my Hon. friend Mr. Govindlal's Resolution or by his speech. That is a separate matter altogether which will have to be decided by India when it has a national Government. I should however like to say that India put her earnings voluntarily in the Central Empire reserves in London. While Indians wanted the Gold earned by them to come to this country they were deprived of it by the British Government which took it away to London.

I should like to ask one other question with regard to the position which India occupies at present, according to the statement made by the Finance Secretary, in connection with the accrual of dollars. According to a reply given by the Commerce Secretary this morning, we are receiving a large quantity of toilet goods from outside ; and these goods are coming not only from England but also from the United States of America. If the imports into this country are controlled by the Government of India, may I ask, why these goods, which are not essential, are allowed to come to our country from a country with whom we would like to maintain a favourable trade balance ? Surely in view of the position disclosed by the Finance Secretary it is of the utmost importance that all the Departments of the Government of India concerned with this matter should give it their serious consideration and see that India's trade is so regulated that she is in a position, within reasonable limits, to get the currencies that she desires, particularly dollars.

Sir, I do not want to prolong this debate, and perhaps my time is already up, but I should like to make just one or two points briefly before I sit down. My Hon. friend the Finance Secretary referred in the course of his speech to the use made of the Dollar Pool for maintaining the civil economy of the countries concerned. I was rather surprised to hear him make such a remark with regard to the civil economy of India. It is well-known that the purchases made by His Majesty's Government, by creating tremendous inflation, utterly disorganised the civil economy of this country. How the Finance Secretary can in the face of these facts claim that the

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Dollar Pool was used to maintain the civil economy of India passes my comprehension. It might have been so used in other countries ; it might have been so used in the United Kingdom ; but it certainly was not used in this manner so far as India was concerned.

There is just one other remark, Sir, which I should like to make with regard to the total amount of India's contribution to the Dollar Pool and the portion that would be released for our benefit within a year of the conclusion of the Anglo-American Loan Agreement. My Hon. friend the Finance Secretary said that the Finance Member was having a statement prepared showing the contributions of the different coutries to the Empire Pool, the benefits that they have derived from it and the amounts now standing to their credit. We shall be very glad to have this information when it is available and we hope with the Finance Secretary that it will soon be made public. But he did not tell us whether any negotiations have at present taken place with regard to the proportion of the Dollar balances to the credit of India which would be released after the conclusion of the Anglo-American loan agreement in order to enable India to purchase the capital goods that she requires abroad. Has this matter received consideration or not ? It is true that the Finance Member proposes to take up the discussion of this question at an early date with the help of the representatives of the major parties in the Indian Legislature. It is nevertheless a matter of great interest to know whether the question has occupied the attention of the Government of India since the loan was negotiated and if so what proportion of our Dollar balances we may expect to be released soon after the ratification of the loan. These are the two questions, Sir, that were raised by my Hon. friend, Mr. Govind Lal. They are questions of great interest. The Finance Secretary's speech was conciliatory and in so far as he assured us that information with regard to the total contribution of India to the Dollar Pool would be available very soon, the information which he gave was welcome. But I hope that he will, in his closing speech, be able to throw a little more light on the subject than he has done and be able to assure us that India may expect to get the maximum help possible from the United Kingdom in connection with her claims for the all round building up of her economy.

THE HON. MR. M. THIRUMALA ROW (Madras : Non-Muhammadan) : I do not want to take up much of the time of the House except to raise a few points that have struck me on hearing the Finance Secretary's speech. Last year, when a question was put in the other House to the then Finance Member asking him to reveal the amount of Dollar exchange we have got in the United Kingdom, he said that for reasons of security he could not reveal the amount we had got to India's credit, and now the Hon. Member, in his speech, denies any knowledge of the present assets in the Dollar pool, if I heard him aright. I do not know how the Finance Department is operating the financial affairs of this country without knowing the exact assets we have in the Dollar Pool that is being accumulated in England—for what purpose, every financier who has got the good of this country at heart knows. With regard to the balance of trade, India is not able to buy goods from America. Whenever any big business man wants to place an order for capital goods, he is at the mercy of the Dollar Pool and the Government of India which must make available the dollars necessary for the purchase of these goods. Everybody is aware that there is much heart burnings, even in American business circles, that Britain is taking an unfair advantage of her position as master of the Empire to block the free flow of Indo-American trade. In fact, the question was sought to be raised in the American Senate by some important members of that body. How can we have a balance of trade in India's favour when India is unable to buy from America ? If you are not supplied with the necessary dollars to buy goods from America, America is not interested in buying goods from India, and an adverse balance of trade is brought about by this sort of blocking of the free flow of trade from India to America. If I heard him aright, the Hon. Member said that international trade is to be cleared through the clearing house in London even after the dissolution of this Dollar Pool.

THE HON. SIR CYRIL JONES : I did not say that.

THE HON. MR. M. THIRUMALA ROW : That means that he envisages that even after all these impediments and trammels are removed, and India is a free country, he hopes for a day when India and America should not have direct trade relations but that that channel should pass through London.

THE HON. SIR CYRIL JONES : I did not say so.

THE HON. MR. M. THIRUMALA ROW : There is a strong feeling in the country that this Dollar Pool is not being utilised in the interests of the country. With regard to the sterling balances, various opinions have been expressed in England with regard to their moral obligation, and with regard to inflated prices at which goods were purchased for British war purposes and therefore the sterling balance represented a fictitiously high figure. In fact, Lord Keynes had to enter into an agreement to see that the British Empire's liabilities are reduced in order to enhance the credit of the British in negotiating the Anglo-American monetary agreement. We have got grave misgivings in this respect and the sooner the world knows that this Dollar Pool is not going to help India in any way unless we are entirely free to do as we like in the best interests of the country the better.

THE HON. MR. G. S. MOTILAL : Sir, the speech of the H n. Member was conciliatory in tone, but in substance he did not concede anything to India. He referred to the fact that the Dollar Pool has existed for about 100 years and what he meant to say, I assume, is that in practice it worked out that for 100 years there has been a Dollar Pool in existence. But I am sure he would not say that this has been the arrangement for 100 years. He is aware that in those days there was free convertibility of sterling with the dollar. The position that he now makes is this. During these 100 years free convertibility of currency has existed. I think it is not quite correct to say that there was a Dollar Pool for all these 100 years, for when there is a free convertibility, you can offer your money in any currency. Sterling was on parity with gold but that parity has been snatched away and, therefore, it is a peculiar character which the Dollar Pool is now occupying. He said the Dollar Pool has gone materially to the winning of the war. If it has gone materially to the winning of the war—I have taken down his words—then it must have been a very large amount. It could not have been a small amount like one-tenth of what has been estimated by the people of this country. He first opposed the second part of the Resolution, but at the end of his speech he really conceded both the first and the second parts of the Resolution. He said from India will be going a deputation to England for making arrangements with regard to the Dollar Pool and with regard to the payment he hoped that the question would be raised. Figures were being prepared and this delegation might ask for withdrawal from the Dollar Pool and for repayment. They might ask for the ending of the Dollar Pool. In fact, he has really supported my Resolution by saying that. He himself realises the necessity of the ending of the Dollar Pool. It is between partners, it is true. But one is a dominant partner and the other is a subservient partner and it is the voice of the dominant partner that is now prevailing. Then this Washington Agreement has been entered into which is still subject to ratification. It provides for release of dollar resources for the payment of current transactions. What these current transactions mean are defined in the Monetary Agreement. I am not quite sure that these current transactions will also imply the entire payment of the dollar resources. This Agreement is also subject to various qualifying clauses and those clauses enable His Majesty's Government in England to extend the time for ending the Dollar Pool. At one time, therefore, this has to come to an end. But Government will leave this to the sweet will of the United Kingdom Government. They therefore do not think this is an opportune time. But I say it is the opportune time. The balance of trade has for some time been running against India. It must run against India, because if you want to buy goods and if you have got balances, India does not want to enter into I. O. U's. You have got your balances and you must pay by your balances. We surely do want the 500 crores which we have got there ; we want to get machinery, we want to get materials, consumers goods also. It is no argument to say that because there is an unfavourable balance of trade during the last few months, therefore you must not now ask for the dissolution of the Dollar Pool, or for withdrawal from it. I think, Sir, we require these goods and, therefore, we must now press for it.

THE HON. SIR CYRIL JONES: Sir, I do not think I have very much to add to what I have already said. I would however like to remove a misconception or two which the debate subsequent to my speech has revealed. I had tried to be clear as to what this Dollar Pool is. I was a little dispappointed therefore that the Hon. Pandit Kunzru, after what I had said, raised the question of the proportion of dollar balances standing to the credit of India. I tried to show that this——.

THE HON. PANDIT HIRDAY NATH KUNZRU: What I asked was what proportion of the dollar balances would be released.

THE HON. SIR CYRIL JONES: What proportion of the dollar balances standing to the credit of India in the Dollar Pool would be released ? It is the phraseology which I think shows that in this very technical subject misapprehension still exists. The Dollar Pool is a colloquial name for a central reserve of various currencies which are not divided into sections standing to the credit of one country or another. It is a central balance of reserves such as has existed for years. The only earmarking in London of foreign balances held by London is in respect of the Post-war Dollar Fund for India—the earmarking of 20 million dollars or so which has been allotted as a special case in India's peculiar circumstances and for India alone. Apart from that special earmarking, everything that is in that Pool stands unearmarked in the Pool. As I have said, it was contributed to by countries according to their ability and it is drawn on by countries according to their needs ; none of that amount is earmarked. It is therefore beside the point to talk about the dollar balances in the pool which stand to the credit of India. As to what will be released, Sir, the question is how much of India's Sterling balances can be released immediately as a result of the sterling balances discussions. What will be released then will be spendable in London, New York or anywhere in the world. It will be released in a multilaterally convertible form and it does not matter whether what is released comes from the so-called India's credit in the Dollar Pool or anything else. There will be a release of the sterling balances owned by India, usable in any part of the world. How much sterling will be released —I tried to explain in my first speech— will be a matter for negotiation with His Majesty's Government. We may perhaps stake out an initial claim based on what we estimate India may require to spend, whether in the United Kingdom or the United States or anywhere else in the world, for the first period of 5 years, and that can be our initial "asking price". It will then be for H. M. G. to establish their case if they find that we, Australia, New Zealand, Egypt and other members of the Sterling area, are between them asking for too much. Then His Majesty's Government will have to place their cards on the table and convince the Indian delegation and the delegations from the other countries that the total demands are beyond the capacity of the United Kingdom to meet having regard to their present and prospective dollar resources.

I do not think I need take up the time of the House in going into detail in regard to the working of exchange control in the present circumstances. It is a fact that at the present time dollars are scarce ; they still continue critically scarce. America is aware of it. The fact also remains that the Anglo-American Agreement has not yet been ratified, and therefore the inevitable corollary is that India, in common with other countries, must maintain, whether she remains in the Pool or withdraws from it, for the time being, a fairly rigid exchange control.

THE HON. THE PRESIDENT: Resolution moved :—

"This Council recommends to the Governor General in Council to take steps for the restoration to India of her contribution to the Empire Dollar Pool and her dissociation from it."

Question put: the Council divided:

AYES—14.	NOES—22.
Askuran, Hon. Sir Shantidas.	Assadulla Khan Raisani, Hon. Sardar Bahadur Nawab.
Buta Singh, Hon. Sir.	Charanjit Singh, Hon. Raja.
Dalal, Hon. Mr. M. N.	Chinoy, Hon. Sir Rahimtoola.
Das, Hon. Mr. N. K.	Commander-in-Chief, His Excellency the.
Das, Hon. Rai Bahadur Satyendra Kumar.	Das, Hon. Mr. M. L.
Kalikar, Hon. Mr. V. V.	Devadoss, Hon. Sir David.
Kunzru, Hon. Pandit Hirday Nath.	Ghosal, Hon. Sir Josna.
Mitha, Hon. Sir Suleman Cassum Haji.	Gibbons, Hon. Mr. J. M. B.
Motilal, Hon. Mr. G. S.	Griffin, Hon. Sir Arthur.
Row, Hon. Mr. Thirumala.	Hissamuddin Bahadur, Brig. the Hon. Sir.
Roy Chowdhury, Hon. Mr. Susil Kumar.	Hutton, Lt.-Genl. Hon. Sir Thomas.
Rup Chand, Flt. Lieut., the Hon.	Jones, Hon. Sir Cyril.
Surput Singh, Hon. Mr.	Khare, Hon. Dr. N. B.
Yuveraj Datta Singh, Hon. Raja.	Khurshid Ali Khan, Hon. Nawabzada.
	Lal, Hon. Mr. Shavax A.
	Mahomed Usman, Hon. Sir.
	Menon, Hon. Sir Ramunni.
	Mukherjee, Hon. Sir Satya Charan.
	Pillai, Hon. Mr. N. R.
	Prior, Hon. Mr. H. C.
	Sobha Singh, Hon. Sir.
	Yeatts, Hon. Mr. M. M. H.

The Motion was negatived.

The Council then adjourned for Lunch till Three of the Clock.

The Council re-assembled after Lunch at Three of the Clock, the Hon. the President in the Chair.

(The Hon. Mr. P. N. Sapru was not present in the House when the Resolution standing in his name was called.)

RESOLUTION *RE* RELEASE OF OFFICERS AND MEN OF THE INDIAN NATIONAL ARMY.

THE HON. MR. V. V. KALIKAR (Central Provinces: General): Sir, the Resolution which stands in my name runs thus:—

"This Council recommends to the Governor General in Council that the pending trials of the 'Indian National Army' Officers be withdrawn and the Officers and men of the 'Indian National Army' be unconditionally released."

Before I deal with my Resolution, I want to offer my heartiest congratulations to His Excellency the Commander-in-Chief on remitting the sentences passed by the First Court Martial on Messrs. Shah Nawaz, Dhillon and Sehgal. On other occasions I had an opportunity to speak on certain matters and then I expressed my views about the Commander-in-Chief, that I find in the person of the Commander-in-Chief a very sympathetic gentleman, and I called him our Lord Munster for the Indian Army in India. Lord Munster was very keen on looking after the grievances of British troops in India, and I can state before this House that His Excellency the Commander-in-Chief is also very sympathetic, and very keen on removing whatever grievances there may be amongst the Indian troops. I hope, Sir, that he will deal sympathetically with the subject that is before the House today.

I propose to give in brief the history of the circumstances that existed when the Indian National Army was formed. The House knows that in December 1941, Japan declared war against the Allies, and thereafter, country after country was overrun by the enemy, and the inhabitants of those countries felt that something ought to be done to save their lives, their property and their honour, because they thought that they would not be spared from the depredations of the Japanese. The only power to which they had looked, namely, the British power, had disappeared altogether. At that time the Indian National Army was formed. It was formed in September, 1942, because the civilians as well as the troops who had been handed

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over to the Japanese by Colonel Hunt thought that some attempt must be made to protect the people of those countries which had been over-run by the Japanese. Their intention was also to make some organised attempt to free India from the foreign yoke.

It has been stated in many quarters that the first Indian National Army under Captain Mohan Singh was in league with the Japanese, but from what has appeared in the Press, and from the evidence that was produced in the first trial, people think that the Indian National Army was not in league with Japan and the Provisional Government which the people of those countries formed was not a puppet Government. The original intention of forming the Provisional Government was to protect the people and make an organised attempt to free India.

Sir, the House knows that after the fall of Singapore about 45,000 Indian troops were handed over to the Japanese. Major Fujiwara took over those troops and handed over charge of those troops to Captain Mohan Singh. When the troops were surrendered, and when Major Fujiwara took charge of them, Col. Hunt said :—

" The British and Indian forces in Singapore have surrendered to the Japanese Imperial Army and we are all prisoners. I on behalf of the Crown am handing you all over to Major Fujiwara, the Japanese representative. From now on you belong to the Japanese Army and you will obey their orders as you have been obeying our orders. "

That implies that if those who did not want to obey the orders of the Japanese officer would be liable to punishment. I am driving at the reason why this I. N. A. was formed. These are my personal conclusions. The I. N. A. officers during the trial took the definite stand that they organised this army for freeing India from British domination. I agree with them so far. But I think there were certain other causes which led to the formation of this Army. I hold to some extent the Government of India responsible for increasing the strength of this Army. The Government of India, by broadcast and leaflets, instructed these people who were surrendered to join the I. N. A. in order to escape from the tortures and cruelties of the Japanese. Their view was that if they joined this Army, they may perhaps find an opportunity of escaping and they would give some valuable information to us so that we may be able to sabotage their efforts. This was unknown at that time. But the *Times of India*, in its article, dated the 23rd August, 1945--

THE HON. THE PRESIDENT : Please do not read from a newspaper.

THE HON. MR. V. V. KALIKAR : I am not reading from a newspaper. I have made a note. I have been for a long time a Member of this House and I know your ruling. The *Times of India* then published a leading article giving out the news that it was Delhi that was to some extent responsible. Then, on the 28th August, 1945, the Government of India published a Communique confirming the news that was given by the *Times of India* in its leading article. I shall read a portion which is relevant :

" Naturally, those who joined the enemy in response to directions from Delhi by radio and air-dropped pamphlets, with the sole object of escaping to our lines or of sabotaging the movement from within will be regarded as recovered POWs, retained in the Army and treated with the special consideration to which their intiative, courage and loyalty entitle them. "

THE HON. THE PRESIDENT : So you have read it.

THE HON. MR. V. V. KALIKAR : I have read the Government of India Communique, Sir, not from the newspaper. It is a Government Communique. So, it is not a question of attributing blame to one side in this matter. I submit that the Government of India are to some extent responsible directly or indirectly. I say indirectly because they asked their own people who were surrendered to join the I. N. A. The question is whether the Government of India has a case for prosecuting these I. N. A. men. If the Government of India gave instructions by broadcast and leaflets to the people who were surrendered, it is rather risky to say that only a hundred or two hundred people joined on account of these instructions and the others joined because they were desperate or of their own free will. You cannot say that A and B only heard the broadcast or read the leaflets. A broadcast is meant for all who care to listen and a leaflet is meant for all who care to read. So, my point

is that the Government of India have no case, when they had issued this Communique and admitted that they had given instructions to the Indian troops to join the I. N. A. to prosecute the main officers of the I. N. A. for waging war or for committing acts of brutality and so on. Let us consider the situation in which these people were left. The troops were handed over to Fujiwara with an instruction that they must obey that officer's orders. He handed them over to Captain Mohan Singh and the Japanese told them that if they wanted to start or establish a free State for looking after the interests of the Indians in Malaya and other places, as well as for making an organised attempt to free India, the Japanese would help them. There may be difference of opinion over the action taken by these I. N. A. men. The difference of opinion may be very honest. But it is quite natural for these troops who joined the I. N. A. that they should organise and make an attempt to free India from British domination. After all, Sir, they were fighting and shedding their blood and it is just natural that a question should arise in their mind, " For whom are we fighting? if freedom is denied to us by Britain, why should we not take this opportunity of making India free from British domination ?" As I have just now said, there are differences of opinion over the action they have taken. Even Mahatma Gandhi does not believe in the action taken by these I. N. A. men. But you have to judge their conduct, situated as they were, and then you have to come to a conclusion whether these men really deserved to be hauled up. Sir, in the last Communique which was issued two or three days ago, Government has made its position clear by stating that acts of brutality and acts offending against canons of civilised behaviour will be taken into consideration in dealing with these people. You have decided—and rightly decided—that these people should not be dealt with for the main offence of waging war against the King, and if that decision is there, there is no logical basis for prosecuting these men under the Indian Army Act. I am one of those who abhor brutality. I do not think there is any sane person in India who will sympathise with these brutal acts. But it is very difficult in these circumstances to scan the evidence and come to a definite conclusion that these brutal acts were committed by these people. I do not want to refer to individual cases. But in the Communique Mr. Abdul Rashid's case has been referred to and I think that case has created a lot of trouble in India. I will have to refer to some of the cases already decided. I am not going to refer to those cases which are in court. I may just make a general observation.

THE HON. THE PRESIDENT: Do not mention names.

THE HON. MR. V. V. KALIKAR: Abdul Rashid's name has been mentioned in the Communique.

THE HON. THE PRESIDENT: That case is now over. It is no longer *sub judice*.

THE HON. MR. V. V. KALIKAR: And therefore I will mention it. Sir, you have to take into consideration that these men acted under the orders of their superior officers. You have to take into consideration that these men were carrying out the duties which were enjoined on them under an Act which was practically a copy of your Act. These men were serving under a Government. You may recognise that Government or may not recognise that Government. But I believe under international law that Government can be recognised, because that Government had territories, because that Government had an organised army, because that Government had financial resources at its disposal ; and these men acted under the orders of their Government. The punishment of flogging is one of the punishments mentioned in their Act. In our Acts too, there is a whipping punishment. I do not say that they have not exceeded their limit. Some men might have exceeded their limit. But my submission is you have to take into consideration the situation under which they carried out those orders. It was stated in the first trial that the punishment of flogging was given to men who were deserters, to men who indulged in theft, to those people who wanted to misbehave amongst the citizens of those countries. Therefore, Sir, one has to judge whether we can apply the law in a fixed standard or judge their conduct from that point of view. You have made charges against them. In your court martial in two cases you have proved the charges against them. But the whole country, the whole of India, is stirred with emotion about

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these cases. Nobody in India nor outside India thinks that the Government of India has taken a right decision in prosecuting these people. The cases that are going on now and the cases that may be put up before courts in course of time, instead of creating goodwill and confidence in the country, will unnecessarily make the position more bitter. I stand here not as a defender of the alleged cruelties; I stand here for the peace and tranquillity of my country. I stand here to see that the atmosphere in India is such that if the British Government really want to have a political settlement in India they should find out ways to see that there is no impediment to enable them to settle the political issue more smoothly. We find that almost all the political and social parties in India, all the commercial organisations in India, the students' organisations in India, have raised a voice of protest against these trials. Even papers like the *Statesman* say "Please stop this show". So the Government is left without any friend in India at this time. Three British M.P.s Messrs. William Dobbie, W. C. Cove and S. O. Davies and Wing Commander Millington, have also demanded abandonment of these trials.

They say

"We submit, therefore, that the Government of India should be advised from here to drop the prosecution or at least to postpone it for the time being. We venture to submit further that the Indian Government, as it is constituted today, is neither democratic nor representative of the people's will. It has no support in the country and consequently it does not possess any prestige and authority. Any decisions taken by such a Government which are not in keeping with the popular will are sure to be reviewed and altered by a Government more representative of the Indian people. The proper authority to prosecute these men will be the National Government of India which must come into being in the new year".

Mr. Fenner Brockway also stated that the Government of India has committed a stupid blunder in starting these trials.

THE HON. THE PRESIDENT: I will give you five minutes more. You have already exceeded your time.

THE HON. MR. V. V. KALIKAR: I am so sorry, Sir. So my submission is that in the interest of maintaining peace and tranquillity in this country you should revise your decision and should not attach much importance to prestige. You make allegations of brutal actions; the other party makes also allegations of brutal actions against you. Mr. Sehgal in his statement which appeared in the *Hindustan Times*, dated the 14th August stated that in addition to the two officers who committed suicide year before last there are two other cases of suicide. Subedar Jowand Singh committed suicide in the Red Fort of Delhi in January 1945. Another committed suicide in Multan. Mr. Sehgal says he heard with his own ears Lieut. Warran beating a man in the adjacent barrack.

News appeared also in the Press that seven cadet officers who were transferred to India were treated inhumanly by British officers or British troops who were in their charge. My submission is that we should let the dead past bury its dead. Instead of indulging in these allegations and counter-allegations of brutal actions we should adopt the course of forget and forgive. We should try our level best to heal these wounds and see that a very calm atmosphere is maintained in India by adopting measures which will help the British Government to settle the political issues. The result of these trials has caused the death of about 100 innocent people in Calcutta. Public property and private property have been destroyed. I, therefore, submit that instead of your attaching much importance to prestige and hauling up these men if you adopt the course of clemency—if you release these people unconditionally—you will certainly help the highest authority, the British Government to effect a successful political settlement in India. I, therefore, submit, Sir, that His Excellency the Commander-in-Chief should impress on the Government of India to revise its policy and see that these people are unconditionally released.

THE HON. THE PRESIDENT (to His Excellency the Commander-in-Chief): I think Your Excellency would like to speak at this stage. It will expedite matters.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Sir, before I say what I have got to say, I would like to thank the Hon. the Mover of the Resolution for what he said about myself, and I would also like to record my appreciation of

what the Hon. the Mover has done to help me in the past in various problems. I greatly appreciate his assistance.

Before I say anything more I would like to refer to one point which the Hon. the Mover mentioned and that is this matter of the so-called handing over of the Indian troops, prisoners of war, to the Japanese. I do not accept the Hon. the Mover's version of what Col. Hunt is alleged to have said, because I do not think it is correct. I do not accuse the Hon. the Mover of stating anything but what he believes to be true or though personally I do not believe it to be true—I have other information— and the position is this in regard to that particular point. Any officer, it does not matter what his rank, who becomes a prisoner of war with his men and has been separated from his men by his captors as happened in this case—where all British officers were separated from their men—has as his business - in fact it is his duty—he is taught that it is his business—to say to his men " From now on you must obey any orders that are given you by your captors ". That is simply to protect his men from doing anything which would compel their captors to either shoot them or torture them. That is an acknowledged fact and I think it is embodied in the Geneva Convention. It certainly is a practice in all civilised armies. It is his business to advise them to do nothing to enrage or irritate their captors. They must obey all reasonable orders. That is a very different interpretation to what has been put on what Col. Hunt is supposed to have said, and I think Hon. Members will agree with me that we must look at it from the wider point of view.

Well, Sir, this Resolution seeks to recommend that the pending trials of those who joined the so-called Indian National Army should be withdrawn and the men unconditionally released. I do not wish to enter into a detailed discussion of this very controversial question. It has already been discussed in another place and I propose to confine myself to the terms of the Resolution.

Now, the first point is the suggestion that the pending trials should be withdrawn. Well, I would like to ask this House to consider what this really means and why these men are being brought to trial. When we announced on the 30th of November that we would try only those men who were guilty of brutality we meant that literally. We spoke in the communique which was issued by the Government of India of acts of gross brutality and acts offending against the canons of civilised behaviour. It is acts of this kind which we are now trying and only those acts. There is very clear, definite evidence that during one period in particular systematic brutality of a very shocking kind was used against those who did not wish to join the so-called Indian National Army, and we are trying only those who are alleged to be guilty of such brutality. I have listened very carefully to the speech of the Hon. Mover of the Resolution, but I am still in doubt as to what he had in mind when he put forward the Resolution. Perhaps he thinks that the crimes were not actually committed—but I do not think he does. Then, does he think that the motive excuses the crime ? I do not know. In any case, I do not think either view can be upheld for one minute. If the evidence against the accused is not sufficient for conviction, the accused will get off. And I would like to stress again what I have said before, that a court-martial under our rules is probably the fairest form of trial that any man could have ; and I speak from very considerable experience. The accused in a court-martial is given the fullest benefit of doubt so far as the evidence is concerned It is a form of trial under which a guilty man may sometimes escape punishment, but an innocent man is practically never convicted. Again I speak from experience,

If, on the other hand, it is suggested that the motives of these men justified their behaving as they did, it seems to me that this is a very dangerous argument, and one which would justify any crime committed from a political motive. It would mean that every jailor and every policeman would have a free hand to ill-treat his prisoners. I do not believe myself that it is an argument that the Hon. Mover would seriously put forward. It certainly is not an argument to which I can subscribe.

I am sure the Hon. Mover will believe me when I tell him that I have given this matter very careful thought. In fact it has been ever present in my

[H. E. the C-in-C.]

mind for the last six months, and the more I think of it, the more I consider it, the more convinced I am that it will be quite wrong and unfair to those who suffered while in their charge that these others who committed acts of brutality should be treated by any standards different from those which we should apply, had they behaved in this manner while serving in the Indian Army. And I would remind the House that these men did belong to the Indian Army, and in fact still do belong to the Indian Army. There is no provision in the Indian Army Act for whipping a combatant soldier, and if we found that any officer had beaten a soldier, we should punish him very severely. Now, can it be argued that because these men had thrown off their allegiance they should be treated more leniently than they would be while actually serving in the Indian Army?

It has been said that the cases of these men are similar to that of Shah Nawaz. Shah Nawaz was convicted of abetment of murder as well as waging war against the King. But I put it to you that the case of Shah Nawaz was very different. He had joined the Indian National Army and was doing his best to help the enemy. But we had decided, for reasons which I need not repeat— I think they are well known to you all—that we would extend clemency to those proved guilty of these offences, of these offences only and no other. Well, it is clear that, if clemency is to be extended to those who joined the Indian National Army, it follows that anything done in consequence of having joined the Indian National Army and which would have been legal had the Indian National Army been an internationally recognised body must be included in the act of clemency. If you are not going to impose a severe sentence for waging war, you must extend your clemency to cover war-like acts committed by members of the Indian National Army. In Shah Nawaz's particular case, he received general directions from his superiors in the Indian National Army that deserters were to be treated severely and a death sentence inflicted. Now, although during the recent war we did not inflict death sentences for desertion in the British Army nor in the Indian Army, except in one aggravated case, this infliction of the death sentence for desertion is in accordance with the practice of civilized nations. The death sentence passed by Shah Nawaz could not therefore, in these particular circumstances—I say in these particular circumstances—be described either as an act of personal brutality or as a violation of the canons of civilized behaviour.

The case of Rashid was very different. He was guilty of personal brutality on proved occasions, sometimes to his fellow-Muslims, and the punishment he inflicted went far beyond anything that could be regarded as civilized, and far beyond the provisions of the Act drawn up by the Indian National Army themselves and by which that Army professed to regulate its conduct. I may add that this Act was much more severe than the Indian Army Act. The persons towards whom he behaved in this way were not members of the Indian National Army and could not have subjected themselves to the Act by which he professed, I suppose, to be authorised.

I hope I have said enough to make clear the difference between the offences for which we are prosecuting a very small number of the I.N.A. and those who were accused in the first trial and were not given sentences of imprisonment. I will now turn to the second part of the Resolution which suggests that the officers and men of the Indian National Army should be unconditionally released. Well, Sir, except for those charged with brutality, it is our policy to release them. And all releases are unconditional, that is to say, there is no condition attached that they should behave in any particular way. But we are making a distinction between those who seemed merely to be misled and those who actively helped the enemy. The former, that is, those who were misled, are discharged, and this carries no stigma with it, and they are given leave with pay. The latter, that is, those who actively helped the enemy, are dismissed and are subjected to forfeiture of pay. It would be impossible to let every one go immediately— which I gather to be the intention of the Resolution—without abandoning this distinction, which seems to me, in my position, to be a very important one. If we are to make the distinction

in a fair and just way, we must examine each case. And that is what we are doing at present. It has been announced elsewhere that of a total of about 20,000 Indian Army men who joined the Indian National Army, about 11,000 have already been released; about 5,000 are still undergoing interrogation and examination; there are about 3,000 still expected from overseas; and the remainder are untraced. We had hoped to complete the examination and release the remainder during the next six weeks, that is to say, by the end of March. We had hoped to do this, but for various reasons, one of which is the obstinate attitude of some of the prisoners, it will probably now take more than six weeks, and instead of having released them all by the 1st of April, as I had hoped, the most I can say is that there will be very few—I hope none— by the 1st of May. But I think this further delay must be accepted in the interests of justice and fairplay, as I have already tried to explain.

As I have said before, I do not wish to enter into a general discussion, but I would like to repeat with all seriousness the warning which has been given elsewhere regarding the future of the Army, namely, that it is discipline that makes the difference between an army and a mob. Discipline has been the backbone of every army which has fought well in the past, and no changes in methods of warfare or scientific developments have yet made any difference to this truth, and in my opinion they never will. Our policy has been to prove the principle that it is not open to a soldier to change his allegiance on account of his political views. But, having proved that principle, Government decided, in view of the circumstances, to extend mercy to those convicted of this offence and of no other, and to limit their punishment to cashiering or dismissal, with forfeiture of certain pay and allowances. To go further and condone acts of gross brutality would, in my opinion, be utterly wrong in itself and would besides be most unfair to those men who suffered so cruelly at the hands of those who are to be tried. Sir, I can assure you that no one could be more sorry than I am that this affair should have come about and that the fair name and fame of the Indian Army, which I have served so long, should have been brought before the world in this way. But I would ask the House to remember that a Commander in-Chief is responsible for the welfare and contentment of the whole Army and that in this case includes those who remained steadfast to their allegiance under great provocation and pressure, and no Commander, of whatever rank he may be, can carry out those duties efficiently unless he has the full confidence and trust of those under his command. He cannot hope to retain this confidence and ensure the maintenance of discipline unless he is prepared to protect his men against wrong.

Sir, I hope that in view of what I ave said, the Hon. Mover will agree on reconsideration to withdraw his Resolution.

THE HON. MR. M. THIRUMALA ROW (Madras: Non-Muhammadan): Mr. President, I have listened to the reply of His Excellency the Commander-in-Chief with great attention and I feel grateful for the very sympathetic and courteous manner in which he has tried to explain the position of the Government. But I want this House to remember that this is not a mere legal issue, concerned with the brutalities of a certain number of officers who have gone over from the Indian Army to the Indian National Army. I want members opposite, and particularly the Commander-in-Chief, who is supposed to be the Chief Officer of the Indian Army whom representatives on this side have treated all along as an army of occupation in this country, to remember that there is a second side to the picture. Unfortunately, India is one of the biggest countries in the world that lies at the heel of British Imperialism. She has made strenuous efforts to get out of that and establish her own independence. International law, Sir, has developed itself on the histories of the white nations and that law, during the last century, has had little to do with the development of the freedom movement or the constitutional development of the coloured races. Whether it was Dicey or some such other authority, they have always dealt with the constitutional aspect of the acts perpetrated by the white nations in the pursuit of their political ambitions in subjugating the coloured races. After so many years of thraldom, this country has come to realise that it is time to get complete independence and it has got a Leader who could enthuse and unite the various elements in the country under one banner and try to extract the utmost sacrifices from the nationals in the

[Mr. M. Thirumala Row.]

establishment of its independence. Take the history of this country. The Indian National Congress, with non-violence as its ideal and constitutional action as its method, is one of the arms of the pincer movement for the establishment of Indian independence and after such a long time, after nearly 2½ centuries of foreign domination, an opportunity presented itself to the patriotic young men of India to take full advantage of the situation created by World War No. II and form an independent National Government with all the attributes of a Government. Sir, you will wonder whether this country is capable of such great organisation, of creating great enthusiasm for sacrifice in the cause of freedom, until you heard the details of the organisation of the Indian National Army and the Indian National Government formed in Singapore. I request the authorities to view the matter from that point of view. In view of the protestations that have been made all along that the last stage of the British Government has been reached in India and that they are going to relinquish their power into the hands of a National Government, is it wrong, judged by any canons of constitutional propriety or law, that a nation that has been under the heel of a foreign yoke, should make a genuine attempt to throw off that yoke and establish its own independence ? One arm of the pincer movement for the establishment of Indian independence is led by Ghandhiji and the Indian National Congress on non-violent lines and the other was led by Netaji Subhashchandra Bose on violent lines. There may not be any correspondence, any compatibility, any co-ordination between these two arms, but I may tell you once for all, Sir, that the great work done by national institutions in this country—

THE HON. THE PRESIDENT : I do not wish to disturb you, but you are digressing altogether from the terms of the Resolution.

THE HON. MR. M. THIRUMALA ROW : My point is that the Indian National Army is an army of an Indian National Government and it should have been treated as such. It has worked for the welfare and independence of India. Therefore, the ordinary canons and rules of procedure, which His Excellency the Commander-in-Chief has taken great pains to explain to us, do not apply to it. In that way I beg to submit that I am quite relevant in dealing with this aspect of the question. If Roosevelts and Churchills and Stalins are the destroyers of Fascism in the West; Gandhis, Nehrus, Boses and Sackarnos are the destroyers of Imperialism in the East. Please remember the signs of the times, which the hand of time is writing on the wall, and deal with these people in a very generous manner. It does not mean that I do not recognise the generosity which the Commander-in-Chief and His Excellency the Viceroy of India have shown in contrast to the previous regimes. They have been receptive enough to take a lesson from the history that is being moulded before their eyes. It is not a question of mere brutality. Army training is training in brutality and nothing else. You must be seeing blood on your own arm. You will be trained to kill your own kith and kin when ranged opposite. After all, humanity is trained to make such distinctions between one nation and another, between one country and another. What about the brutalities that have been perpetrated in this country under the civil Government during the movement of 1942 ? I want to remind Hon. Members of Chimur and Ashti, where women have been raped by British officers and soldiers. They have been for given and forgotten by the Indian people. I say that under certain circumstances, many brutalities have been perpetrated which have not seen the light of day. Do not try to exaggerate things. Do not try to grow suddenly judicial minded and say that you are doing justice. You are not doing justice to this nation. I do not know who is responsible for this, but gossip and rumour goes about that the military authorities were against it but the civilian sun-dried bureaucrat, who still wants to intrigue and wanted to keep power in his hands, wanted to rehabilitate his lost prestige by bringing all these men to trial and teaching a lesson to the Indian Army also. But if they have not learnt this lesson they will learn it very soon. Not only has the trial of these people made them heroes in the eyes of the nation but it has created such a stir in every nook and corner of the country that women, children, students, younger section and older section of the population, have been moved to their very marrow in favour of complete Indian

independence. It is that, Sir, that has created those riots in Bombay, riots in Calcutta and elsewhere, and I am sure that Government of India have taken proper note of the sign of the times. The whole country is behind the I. N. A. Even the Communist Party, which is behind the British Government in suppressing the Indian nationalist movement, has deserted the British Government in supporting the I. N. A. and collecting funds for it. Even the Indian troops, on whose loyalty His Excellency the Commander-in-Chief laid so much stress, have collected funds and have openly given money to the I. N. A. defence. I want you to remember this and leave this country to itself intact and let it form its own defence and national army and its own National Government which will be in a position to understand the spirit, the aspirations and the particular circumstances in which the men of the Indian National Army have acted. The I. N. A. deserve not only complete release but honour from the people. I want the Government of India to be more graceful than what the Commander-in-Chief seems to have shown in the matter and completely release them, withdraw all these cases and earn parting gratitude from the people and leave this country gracefully.

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern Non-Muhammadan): Mr. President, my Hon. friend Mr. Kalikar paid a tribute to His Excellency the Commander-in-Chief for his attitude in connection with the I. N. A. trials which was well deserved. I think all those who are acquainted with the facts will realise that the part which His Excellency has played in the framing of the policy which was announced some time ago has been a notable one. Had His Excellency asked for a stronger policy, I do not think that anyone either here in or England would have said 'No' to him. But with a high-mindedness which is as pleasing as it is rare in these days of turmoil and strife, he took the totality of circumstances into account. He took into consideration circumstances leading to the fall of Singapore, the complaints of Indians with regard to being left in the lurch, indeed with having been treated in a treacherous manner in Penang and Singapore, the sudden and complete cessation of British authority and the occupation of Singapore for 3½ years by a totalitarian and ruthless power and decided to look at the whole matter from a point of view which was as far removed from being legal as any attitude could be. I think we can all say that his attitude has not been one of legalism. It has been inspired by broadmindedness and wisdom. The fact that no member of the I. N. A. is to be prosecuted for what I might call political offences is a testimony to His Excellency's statesmanship and large-heartedness. I know that this policy has not pleased certain influential British sections in the Army. I doubt whether it has pleased even His Excellency's principal advisers. It would be no exaggeration to say that the opponents of his policy would be glad if his tenure of office in India could be shortened. We, however, know that this would not be in the interests of India. I think it would be a great advantage to us from the national point of view that His Excellency should be permitted to remain here long enough to establish the Indianisation of the Army on a firm footing and to give valuable help to the National Government which we hope will soon be established in maintaining a national army. We must in this connection also express our gratitude to His Excellency the Viceroy, for it was owing to the co-operation between the Viceroy and the Commander-in-Chief that His Majesty's Government could bring themselves to accept the policy that was so clearly announced in November last.

4 P.M.

The basis of the policy can be easily understood. But things have happened since the trials were started which I think require the serious consideration of his Excellency the Commander-in-Chief and His Majesty's Government. The Commander-in-Chief went almost as far as he could a few months ago when he announced not merely that no man would be prosecuted for waging war against the King but that the number of the trials would be kept down as much as possible. He assured us that there would not be more than 50 trials, and that their number might be as low as 20. One cannot therefore say that his policy has been either vindictive or unfair. But the circumstances in the country are such as to require a reconsideration of the issues to which His Excellency undoubtedly gave his serious consideration months ago. I believe that I am in a position to say that even before any public agitation arose over this question His Excellency had come to the conclusion that it should be dealt with in a spirit of understanding and statesmanship and that adherence to legal technicalities would lead to serious injustice and create a situation in

[Pandit Hirday Nath Kunzru.]

this country which would be neither in the interests of India nor of England. But, as I have said, there are certain new facts which ought to be taken into consideration by His Excellency the Commander-in-Chief and the Government. The recent communiqué issued by the Government explaining the difference between the cases of the men involved in the first I. N. A. trial and that of Abdul Rashid has not made matters easy. I certainly understand the basis of the distinction that has been drawn by Government between these two cases but it is not one that would be understood by the man in the street or would be appreciated by anybody in the present political situation. It has not appealed even to a influential British paper in this country. It has gone so far as to call the continuance of the trials on the grounds given in the recent communiqué as a "vexatious irrelevance". I mention this only in order to show that the Government communiqué appears to be lacking in force and consistency not merely to Indian politicians but also to persons who might be supposed to be much more silicitous of British interests than Indians can be.

The next point that should be earnestly considered is that what has taken place has given rise to further communal tension. I am sure that when the policy that we are dealing with was announced no one thought that it could give exacerbate communal feelings, but as a matter of fact the point of view of the Government in dealing with cases belonging to different categories has undoubtedly been criticised on the ground that it is not fair to a particular community. Whether this criticism is justified or not it is pertinent to point out that in the present situation in the country the justification offered by the Government has carried conviction to nobody.

Now, let us consider, Sir, the effect of the trials on the Indian Army. It was, I think, believed when it was decided to proceed with the trial of those men who were believed to have been guilty of acts of brutality that this was necessary for the contentment and loyalty of the Indian Army. I am very doubtful whether the purpose which the Government had in view has been achieved. So far as the information that I have received goes it shows that the discontinuance of the trials would be welcomed by Indian soldiers themselves. His Excellency the Commander-in-Chief has undoubtedly more knowledge on this question than I can pretend to have, but I doubt whether he will be disposed on this occasion to challenge the accuracy of the information that has reached me.

Let us now, Sir, look at the question so far as it affects the Indian Army from another point of view also. If we want that the Indian Army should remain contented we also want that it should be a disciplined force, impervious to all those unfortunate differences which disfigure our public life at the present time, but I fear that the effect of the agitation that is going on and the communal tension that has been created will be to create bitterness in the Indian Army and to introduce communal tension there. This is not an imaginary fear.

THE HON. THE PRESIDENT: Please try to finish now as there are other speakers also.

THE HON. PANDIT HIRDAY NATH KUNZRU: I will finish very soon.

This is not an imaginary fear. I think that it is based on considerations which would weigh with anybody who is seriously concerned with the present situation.

Lastly, Sir, with your permission I should like to say that the present policy, as was explained by Mr. Mason in the other House, was laid down in order to increase the chances of a political settlement between India and England. It was announced yesterday that it was likely that the Secretary of State for India and one or two Members of the Cabinet might visit India in the near future. I think that this information is not baseless. We might expect an authoritative announcement on it in a few days. Is it not desirable at the present time that nothing should be done which would prevent the ambassadors of the British Government from doing their best to bring about a settlement of those questions which have caused serious friction between England and India during the last few years? What is more desirable at the present time than that no communal tension should be allowed to be created and that nothing should be done which would draw the attention of the people away from those political and constitutional issues which affect their future.

I hope, Sir, that in view of what I have said His Excellency the Commander-in-Chief would be disposed to reconsider the matter. I am not at all disposed to say that his case is on the merits a weak one. I recognise the cogency of what he has said. But there are higher considerations than those that were taken account of a few months ago which require that further thought should be given to the matter and that the Government should be prepared to advance on its previous decision. I do not condone any of the brutalities of which any officer or man belonging to the Indian Army has been guilty. But what is the use of acting in accordance with the law or claiming that your conduct is based on the canons of civilized behaviour when your policy and actions lead to a result the very opposite of that desired by you ?

With those remarks, Sir, I support the Resolution moved by my Hon. friend Mr. Kalikar.

*THE HON. MR. SUSIL KUMAR ROY CHOWDHURY (West Bengal : Non-Muhammadan) : Sir, the Resolution moved by the Hon. Mr. Kalikar is very modest. He has asked only that the trials of the I.N.A. officers should be dropped and that they should be released unconditionally. I would have been glad if my Hon. friend had said that they should be given a public reception, because, after all, what was the aim of the Indian National Army ? Their aim was the liberation of their motherland from alien domination. They are all patriots of the highest degree and are held in the greatest esteem by all sections of their countrymen ; and I am not exaggerating in the least when I say that. I wish His Excellency the Commander-in-Chief was in Calcutta on the 23rd January last to witness the mile-long procession of men, women and children of all communities with the portrait of Netaji Subhas Chandra Bose, Leader of the Indian National Army, and the illuminations that took place that evening, the evening of the birth-day of the idol of the people. It would have opened His Excellency's eyes, as it would have opened anybody's eyes, to see how the people of this country look upon the Indian National Army, its officers and its Leader. If a nation can pay homage to the portrait of this Leader in such a manner, just think how he will be received by his countrymen if he ever appears before them in flesh and blood, as we all hope and pray that he may be still alive and will soon be with us to lead an independent India.

BRIGADIER THE HON. SIR HISSAMUDDIN BAHADUR (Nominated Non-Official) : Mr. President, Sir, I was listening to the speeches of the Hon. Members with great interest on the so called I. N. A. Before I go any further I would like to assure the House that I am an Indian and my country is so dear to me, and whatever I say now is without prejudice. I speak for the good of the country and my Indian brothers and for my comrades. May I ask whether this war was the world war or not ? It is obvious the reply will be ' yes ', so the powers who joined this war, joined for three reasons. To save and protect their country, their people, their children, their buildings, their trades, their churches, etc., etc., from the enemy. Secondly for the peace of the World. Thirdly to extend their country and power and wealth as much as possible. The question of nation or religion does not arise. For example China joined this War for the above purposes with the Allies. Japan joined Germany for the same purposes. There was no connection of nation or religion. India and East Africa fought in foreign countries and helped the Allies with money, men and other possible resources, to protect their country from the aggression of Japan on India, which was at one time inevitable. Russia joined the Allies for the same purposes and did not attack Japan till the end of War taking into consideration the circumstances at that time.

Now I turn towards the I. N. A. The I. N. A. in comparison to the 2½ million of Indian Army is a handful of men, which separated and joined the enemy who was ready to attack India against their comrades and against their own country. If Japan had succeeded, they would have been the Ruler of India and not this small batch of I. N. A. Moreover the I. N. A. when they joined the Army took the Oath of Allegiance that they will be loyal and faithful to their King and the Army and their comrades.

*Not corrected by the Hon. Member.

[Sir Hissamuddin Bahadur]

In my humble opinion the reason for their joining the enemy was to save their lives and nothing else, and they gave a bad name to their country and the Indian Army in the eyes of the world. Now I like to say a few words for those Hon. Members who have not been to a battle-field and cannot consider the seriousness of the battle-field and the subsequent effects of a total war. As human nature does not like to part with its soul even at the death bed, and we ask the help of doctors to save our lives, so without any reason they do not like to go and face the seriousness of battle, if it were not for strict discipline in the Army. Secondly, to save their country, their children, their property from the enemy, they sacrifice their lives. But if they learn by experience that if they by joining the enemy or leaving the battle-field cowardly run away by surrendering themselves and become heroes garlanded by the people, without any punishment, I, with my 47 years experience in the Army, assure you, Sir, in future you cannot be assured of your Army and cannot trust the loyalty of your Army or any victory on your enemy. To-day we are sowing the seeds for the future of the Army, we have to harvest it some time later. Therefore I request humbly the House that they should judge and put themselves in the place of the present authorities and consider what they would have done with these people. In my humble opinion, what has been done cannot be undone. Government have been very generous towards the persons who were involved in such a serious and dangerous crime, and I urge upon the leaders of political parties to stop this political stunt and save the lives of so many innocent and ignorant masses and poor students who are being led into this treacherous game and political riots.

*THE HON. SAIYED MOHAMED PADSHAH SAHIB BAHADUR (Madras Muhammadan): Sir, I join in the tribute which has been paid to His Excellency the Commander-in-Chief for the attitude which His Excellency took in November last as regards the treatment of I. N. A. personnel. But for the generous attitude which His Excellency the Commander-in-Chief adopted then, things in the country would have been much worse than what they are to-day. We are really grateful to His Excellency the Commander-in-Chief and also to His Excellency the Viceroy for the very right thing that they did at the outset in trying to see things as practical politicians, and I am glad, Sir, that it has had a very wholesome effect in the country. But, Sir, the one thing which disappoints us is that having once taken up that attitude the authorities failed to appreciate the situation as it developed from day to day. Having once taken up that attitude, for reasons much higher than legal reasons, with a view to bring about a smooth and calm atmosphere in the country for paving the way for political settlement in the land, they would have been very well advised if they had continued to keep this noble point of view in their mind and tried to adjust their conduct according to the circumstances which developed in this country. Sir, in trying to support the Resolution which is now under the consideration of this House, I do not in any way try to exaggerate the case of the I. N. A. personnel. I am not one of those who would like to hold them up as heroes, whose conduct has got to be emulated by the armies in the future. I support this Resolution because I feel that in the circumstances in which these I. N. A. officers and men found themselves, there was a compelling necessity which did not give them any other option. It is but fair that those people should be treated with clemency, that they should not be judged as ordinary deserters from the Army and that their conduct should not be subjected to the same penalty as the conduct of those who had turned out to be deserters in different circumstances. Sir, the extraordinary conditions under which these desertions took place and under which this I. N. A. was formed, have been very clearly and at length explained by the Hon. Mover of the Resolution and I am glad, Sir, that in bringing this Resolution, he has used very just moderation. He has proved that to some extent even the Government of India was responsible for making the personnel of the I. N. A. take the course which they adopted. He was right also in saying that you could not make any distinction between one section of the I. N. A. personnel and another section, the section which might have been influenced by the leaflets and the broadcast which were meant for them, and the other section which joined of their own ordinary desire to see that India was free. Whatever the motive

*Not corrected by the Hon. Member.

with which they joined the I. N. A., the circumstances under which they did so were extraordinary and call for a special treatment, and all the clemency that was shown to them was very well deserved.

As to the course events have taken after the trials had begun, as I said at the outset, Government were really very wise in trying to take up an attitude of clemency. But, Sir, they did make some sort of distinction between those who, they thought, were entitled to clemency completely, and others who, they supposed, could not be considered entitled to it on grounds which would do injustice to considerations of humanity and canons of civlised life. As my Hon. friend, Pandit Kunzru has just remarked, the Communiqué which was issued about a few days ago is supposed to have a legal basis. There is really some ground for distinction between acts of brutality and other acts which could not be brought under that category. But, Sir, this is a distinction which, to the layman, to the man in the street, is a distinction without a difference. It might be alright that such considerations might have to be weighed in normal conditions, and in cases where the issues are ordinary issues. But, where higher issues like the peace of a vast country like India, and the chances of a political settlement in this country which has been seething with discontent and all sorts of agitation for ever so many years are involved, it is not mere considerations of legality that should weigh with the authorities. As my Hon. friend Dr. Kunzru has just stated, even to a section of the British public this kind of distinction does not seem to carry conviction. Therefore, Sir, I humbly submit that Government should try to see things in a practical spirit, in a realistic spirit, in the spirit which they evinced at the outset, in the spirit which His Excellency the Commander-in-Chief evinced in November last. That is, they should see things as they are. This is not the time when you should try to think of meting out any deterrent punishment for the purpose of maintaining reliability and the dignity of future organisations. You have got a more immediate and urgent problem to solve. You have got to try and create an atmosphere in this country which will pave the way for calm consideration of very im portant issues that are now facing the country. But is this what is being done ? For the mere purpose of punishing brutality, of maintaining the honour of the code of civilised life, is it practical politics that you should give occasion for revolts, for agitation, for occurrences in this country which have cost until now more than 100 lives in various parts of the country ? There is no assurance that this agitation is going to stop. From the way in which this distinction has been attempted to be made in meting out treatment to the I. N. A. people, it looks, as Mr. Jinnah remarked in another place, as though Rashid is only victim No. 1 to this kind of deterrent punishment which has been meted out for the sake of maintaining discipline in the future Indian Army. The authorities are not going to stop with this ; besides Abdul Rashid there will be a number of other people who will be made scapegoats. There might be a legal basis for making a distinction ; but higher considerations, considerations of peace and stability in the country, considerations of bringing about a calm atmosphere in which higher important issues which are now confronting the country may have to be considered, these considerations ought to weigh much more with the authorities than any legal distinctions like actions which could be considered as brutal and those which could not. Once I. N. A. personnel have been condoned for joining the army, everything that arises in consequence of that action and the discharge of the duties which are enjoined upon the personnel of that army should also be condoned. If desertion from the Indian Army has been condoned, anything else that goes from it as a consequence needs also to be condoned. With these words, Sir, I support the Resolution.

THE HON. MR. SURPUT SINGH (West Bengal : Non-Muhammadan) : Sir, I beg to support the Resolution moved by the Hon. Mr. Kalikar. It is now patent that the I. N. A. trials have brought to the Government and the country more evils than benefits. Very ugly things about the British military since the collapse of the British arms in Malaya and Singapore have come to light in those trials. A good deal of the so-called prestige of the British Government has also suffered in the course of the trials. While, on the one hand, the men who were put on trial have been lionised, on the other hand cleavage of feeling between the Government and the people has

[Mr. Surput Singh]

taken place. Such being the case, the holding of the trials of the I. N. A. men has not fulfilled any useful purpose besides waste of energy and money. An alien Government has distinctly gone against the universal Indian public opinion in launching the trials. It is not yet too late for the Government to accept the Resolution of the Hon. Member by withdrawing immediately the trials that are still going on. It will indeed be both prudent and expedient to do so. With these words, Sir, I support the Resolution.

THE HON. SIR N. GOPALASWAMI AYYANGAR (Madras : Non-Muhammadan) : Mr. President, Sir, I propose to say only a very few words on this Resolution. I wish in the first place to join in the tribute which has been paid to His Excellency the Commander-in-Chief for the high-minded statesmanship with which he has acted in connection with this affair from the very beginning. I wish, however, to place before him and His Majesty's Government only one or two considerations which I think will tilt the opinion which they now hold in connection with this matter in favour of the substance of this Resolution. I gather that His Excellency the Commander-in-Chief on the first part of this Resolution, took up the position, one which he has taken up from the very beginning, that while he and the Government are not in favour of prosecuting members of the I.N.A. for waging war against the King, they could not condone acts of theirs which amounted to brutality or to offences against the canons of civilised behaviour. There may be some people—for example some of the newspapers to which reference has been made already—there may be some people who take the view that perhaps nothing can be more heinous as a crime than waging war against the King ; but that is not the point at issue now. Offences have been committed. Nobody takes exception to the legality of the prosecutions that were instituted. The question we are now considering is a question of statesmanship, not of legality ; and it has been conceded that, where the offence is one of waging war against the King, statesmanship at the present day requires that you should not launch these prosecutions in the present atmosphere of the country. The only thing that remains is whether you should launch prosecutions in the case of offences which involve brutality and offences against the canons of civilised behaviour. If the object of statesmanship is to produce an atmosphere of goodwill in the country and for that purpose you are willing to withdraw prosecutions for offences of waging war against the King, does not that same argument apply to offences which are merely offences of brutality ? Every administrator knows that in his own small sphere he has been confronted with this problem very frequently. Two communities come to blows, break their heads, men are killed, others are caused grievous hurt ; and yet at the end of it all if the administrator thinks that, for the purpose of restoring an amicable atmosphere, an atmosphere of goodwill in which the two communities can make up their quarrels and live at peace, Governments have acted in the way that this Resolution suggests, namely, they have withdrawn all the prosecutions against either party and given them a chance to live at peace and goodwill. This Resolution, I take it, asks for nothing more than that. Let us assume that these people were really guilty of acts of brutality, that they were guilty of acts offending against canons of civilised behaviour ; we desire nevertheless that at the present moment we should not give any cause for the continuance of an atmosphere which will prevent goodwill being established on the one side between Government and the people and on the other side between the communal groups in the country. From that standpoint, Sir, I appeal to His Excellency the Commander-in-Chief and the Government to take another big step forward in statesmanship and withdraw these prosecutions. Some point I think was made by His Excellency the Commander-in-Chief as regards the latter part of this Resolution. I think he laid rather undue stress on the words "be unconditionally released." I do not think that the Honourable Mover was pressing any case that these men who are still being interrogated and whose cases are still pending should all be released as well as reinstated in the Army. What, I think, he really meant was that their cases should be so disposed of that they are not placed before the courts of law and punished as criminals. I do not think he will object to His Excellency the Commander-in-Chief classifying them into the two categories which he himself mentioned : those who were misled according to him in joining the Indian National Army and those who joined it for considerations which could not perhaps

pass muster with the military authorities. Let him by all means release those in the first category and give them leave with pay and so on. Let him dismiss those in the other category and I do not think the Hon. the Mover, Mr. Kalikar, will object to that distinction being made in the releases that he has asked for.

There is only one other thing that I wish to say on this question of brutality and that is this. If brutality was committed by a person as an Army officer under orders which he either misconstrued or which he believed were binding upon him, his case is one which deserves much more generous consideration than a person who inflicted brutality in pursuance of personal revenge or for private considerations. I do not think that any of the people who were being put on trial in connection with the Indian National Army could be held guilty of the latter category of misconduct. I, therefore, think, Sir, that if they were guilty of brutality only because, being officers of the Indian National Army, they felt themselves bound to carry out such directions or instructions as they believed were binding or which they misconstrued then their case is as much a matter for clemency and generous treatment as the other cases which the Commander-in-Chief has already dealt with. I am therefore supporting this Resolution.

THE HON. MR. V. V. KALIKAR : I have nothing to state further because the points that have been made by His Excellency the Commander-in-Chief have been ably replied by my Honourable friend, Sir Gopalaswami Ayyangar. I have just to say one word and that is about discipline, to which my Hon. friend, Pandit Kunzru, has already referred. His Excellency the Commander-in-Chief must consider the situation as it exists today in the country and the situation as it exists in the Indian Defence Forces. He must have read that officers in the Indian Army, Navy and the Air Force subscribed for the defence of these Indian National Army people. I have come into contact with some people, some young men, who have been released now though they had not joined the Indian National Army, and they are of the opinion that these trials are creating unnecessary bitterness in the country and not only in the country but amongst their ranks too. I, therefore, can give assurance to His Excellency that the discipline of the Army will not in any way be impaired if these trials are withdrawn. If these trials are withdrawn you will be helping, as I said at the beginning of my speech, to create a very good atmosphere, an atmosphere of confidence and goodwill, and you will help the British statesmen in England, if they really and sincerely desire to settle the political issues in India, to find out ways to settle those political issues. Do not attach any more importance to your prestige. You are feeling that you have taken a decision once and therefore it is wrong to revise that decision. You should take into consideration the situation in the country as it is and reconsider that decision. If you do not reconsider that decision then in my opinion—as was expressed in the other House and a reference was made by my friend, Mr. Padshah,—you will be accused of introducing communal differences in the Defence Forces which is a very serious affair. If you withdraw these cases all things will be settled and you will be helping the cause of India's freedom.

Sir, I have to make one more request. If His Excellency the Commander-in-Chief still feels that he is not in a position to review the decision then at least he should ask the Nominated Members not to vote on this Resolution. Sir, I move the Resolution.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : Mr. President, Sir, I won't detain the House for more than a minute or two as I would like only to make one or two remarks.

I would like to express my deep appreciation of the statesmanlike remarks of my friend, the Hon. Pandit Kunzru. This is not the first time by any means that I have had the benefit of his advice which I always consider very valuable. I realise, I think, as well as anybody in this House the state of feeling throughout the country on this matter, how deeply emotion has been stirred and how widespread that emotion is. In fact, I am not sure that we are not in danger of allowing emotion to submerge our sense of oral value.

Well, Sir, nobody again would be more desirous, and can be more desirous, than myself of creating an atmosphere in which the coming negotiations, as a result of which we hope to see India with an autonomous and independent Government of

[H. E. the C.-in-C.]

her own, could take place. Nobody could wish more than I do to see a suitable atmosphere for those negotiations, in which they can take place without bitterness and with co-operation from all sides.

The communal aspect of this question has been mentioned and in fact it has been said not in this House—I do not think—but outside it that I have been influenced by communal motives in regard to the second trial, of Abdul Rashid. Well, Sir, I think Hon. Members will believe me when I say that for many years past it has been one of my primary objects to prevent communalism in the Armed Forces of India, both amongst officers and men, and I have always used all the influence which I can command to ensure that the Indian Army shall be a National Army, that is to say in the real sense of the word representative of the whole of India and I need hardly say, I think, that no communal considerations will weigh with me.

As regards the release of these unfortunate men—and I say that advisedly—I think I have explained that the Government's policy is to release unconditionally and as quickly as possible on the conditions, which I have stated all those who are not guilty of brutality. Again, I say that there is no one who would sooner see an end of this sorry chapter than myself, but, Sir, I am sorry that in spite of these feelings I am unable to accept the Hon. the Mover's request that I should accept his Resolution and the reasons I am unable to accept it I have already explained. If I did accept it I should be failing in my duty and responsibility as Commander-in-Chief to the men under my Command :

THE HON. THE PRESIDENT : Resolution moved :—

" This Council recommends to the Governor General in Council that the pending trials of the ' Indian National Army ' Officers be withdrawn and the Officers and men of the ' Indian National Army ' be unconditionally released. "

Question put : the Council divided :

AYES—13.

Ayyangar, Hon. Sir Gopalaswami.
Buta Singh, Hon. Sir.
Das, Hon. Mr. N. K.
Das, Hon. Rai Bahadur Satyendra Kumar.
Kalikar, Hon. Mr. V. V.
Kunzru, Hon. Pandit Hirday Nath.
Motilal, Hon. Mr. G. S.
Padshah Sahib Bahadur, Hon. Saiyed Mohamed.
Row, Hon. Mr. Thirumala.
Roy Chowdhury, Hon. Mr. Susil Kumar.
Rup Chand, Flt.-Lieut., the Hon.
Surput Singh, Hon. Mr.
Yuveraj Datta Singh, Hon. Raja.

NOES—23.

Assadulla Khan Raisani, Hon. Sardar Bahadur Nawab.
Charanjit Singh, Hon. Raja.
Chinoy, Hon. Sir Rahimtoola.
Commander-in-Chief, His Excellency the.
Das, Hon. Mr. M. L.
Devadoss, Hon. Sir David.
Ghosal, Hon. Sir Josna.
Gibbons, Hon. Mr. J. M. B.
Griffin, Hon. Sir Arthur.
Hissamuddin Bahadur, Brig. the Hon. Sir.
Hutton, Lt.-Genl. Hon. Sir Thomas.
Jones, Hon. Sir Cyril.
Khare, Hon. Dr. N. B.
Khurshid Ali Khan, Hon. Nawabzada.
Lal, Hon. Mr. Shavax A.
Mahomed Usman, Hon. Sir.
Menon, Hon. Sir Ramunni.
Mukherjee, Hon. Sir Satya Charan.
Pillai, Hon. Mr. N. R.
Porter, Hon. Mr. A. E.
Prior, Hon. Mr. H. C.
Sobha Singh, Hon. Sardar Bahadur, Sir.
Yeatts, Hon. Mr. M. W. M.

The motion was negatived.

The Council then adjourned till Eleven of the Clock on Thursday, the 21st February 1946.

COUNCIL OF STATE

Thursday, 21st February, 1946

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 Hon. Khan Bahadur Karamat Ali (Assam : Muhammadan).

GENERAL DISCUSSION OF THE RAILWAY BUDGET, 1946-47

THE HON. THE PRESIDENT : Hon. Members, we will now proceed with the general discussion of the Budget, Part I. As this Budget is not of a controversial nature, I have fixed today 20 minutes for individual speakers. I also request all Hon. Members not to repeat at great length the remarks of previous speakers. At about 4 P.M. I shall call upon Sir Edward Benthall to reply to the debate.

THE HON. SIR SHANTIDAS ASKURAN (Bombay : Non-Muhammadan) : Mr. President, it is with relief that we are after all able to turn from war budgets to peace budgets, but I am sorry that though the Honourable the Chief Commissioner of Railways has come out again with big income figures and fresh surpluses, there is no sign yet of the long-looked for relief to the general public, particularly to the agriculturist, who has been groaning under the weight of war-time burdens. On the contrary, the Hon. the War Transport Member in his speech has referred to dire possibilities in the future. While on the one hand he claims that financially the position is far sounder than it has been at any time in the history of the Railways he warns us that the need to increase rates and fares in the future may have to be seriously faced. So far as the public is concerned, it is an unwise and short-sighted policy to go on heaping burdens without regard to their effect on the economy of the country and industrial and agricultural development, all of which have suffered, and suffered grievously, as he knows, owing to the high rates and fares charged by the Railways. The time has come to cry halt to this policy of imposing new burdens and think in terms of giving relief to the public, particularly agricultural producers.

I propose to confine myself only to one or two points, but before I do so, may I make a brief reference to the Government's accounting methods. The Hon. the War Transport Member is a businessman and knows a company's obligations to its shareholders. Year after year he has been facing us with estimates of receipts and expenditure, but every time it is the same story—under estimates which are always in their favour. Sometimes the difference is so large that the budget estimates lose all meaning. What will he, as a businessman, feel if he has to face a shareholders' meeting of an ordinary company with figures which are so often out of proportion with actualities ? I quite understand war-time difficulties in preparing estimates but this kind of under-estimates is not a war-time phenomenon of the Government. It has more or less become a chronic disease, and the sooner a drastic remedy is found by applying better and more realistic methods of estimating and accounting, the better for them and the public. With all these big differences between budget and revised estimates and actuals, it is never easy to arrive at any correct idea of the position.

At the end of his speech, the Hon. the Chief Commissioner has quoted the tribute of the principal Administrative Officer of G.H.Q. (India) that " the Railways of India have never let the Army down ". Even in war-time, the sustenance of the Army is not the only, or even the main, responsibility of the transport organization. What is of fundamental importance is the maintenance of the internal economy of the country. Has he considered what is the verdict of the ordinary man in the street, the agricultural producer, the industrial worker and all those on whose work the economy of the country and also the war effort has depended ? If they have a feeling that they have been let down, and are still being let down, the Railways have only to blame themselves, for theirs has been a sad story of neglect,

[Sir Shantidas Askuran]

inefficiency and lack of ordinary forethought. I am not merely referring to the conditions of travel during these war years which have been appalling, to the irregularity of train services, to the continued shortage in stock and equipment and to the rotten condition of the stock in use. That is the least part of the story, though it shows how little prepared the Railways were for war-time demands. I want to refer particularly to the food question which is today uppermost in the public mind. His Excellency the Viceroy is making a gigantic effort to stem the crisis which is threatening to overtake the country. His Excellency has made a special appeal to Indian leaders and has been moving about the country to see for himself conditions in various parts and rouse both the administration and the people to a realization of their duty. I am afraid that, if the Railways pursue their present policy of high freight rates, so ruinous to the agriculturist and the farmer, they will be guilty of letting down the Viceroy. I want to warn them against it with all the emphasis at my command. In judging the Hon. the War Transport Member's Budget Speech this year, at this critical time when the country is faced with the danger of a terrible famine, the first test which we should apply is its effect on agricultural production and the facilities which it offers for the movement of food-grains. The agricultural classes have suffered, and are suffering terribly because of scarcity of fertilizers, high cost of labour, and the big increase in the prices of agricultural implements, the steep rise in the general cost of living and shortage of livestock for agriculture—those available costing as much as five times the pre-war milch and agricultural cattle, and on the top of it, the heavy freight rates charged by the Railways—which is largely responsible for the fall in food production. If at least the Transport organisation of the country had played its part as it should have done during these war years, the public would have been saved much of the suffering. Even the Bengal famine would not have taken so heavy a toll, for it was due to the absence of adequate transport facilities that scarcity conditions were precipitated in many places and agricultural production despite the much-advertised and costly "Grow More Food" campaign in which crores have been sunk, could not develop as it should have. I am surprised, Sir, that despite the warnings of the war period, the Railways are still in no mood to revise their freight policy to help the farmer and the agriculturist and make it possible for them to increase production. I see no reference in the Hon. the Transport Member's speech to these vital problems of growing more food for the people and the provision of cheap and easy transport facilities to save the millions threatened with famine. I had expected that when today the shortage of food is so acute a problem to all, he at least would have given an assurance that Railways would play their part in encouraging agricultural producers and farmers by reducing freights. At this juncture, it is not a question of balancing the budget but of saving people from dying of hunger.

May I make a special appeal to the Hon. the War Transport Member regarding the position of the cattle and the dairy industry? Demands constantly made, for reducing the rates for sending dry cattle to centres where it will be cheaper to maintain them, have also been brushed aside. Owing to this, the cattle and dairy industry has become highly uneconomic. The high freights have obliged *gwalas* of cities and towns to sell their dry cattle for slaughter instead of sending them for salvage to rural areas. The systematic breeding of better cattle has thus been neglected, even useful young cattle have been allowed to be ruthlessly destroyed in the cities from year to year. The result has been disastrous to the agricultural economy of the country. I am glad, Sir, that though Railway authorities have not paid heed to our requests the Government of Bombay have taken the right step in subsidizing the transport of dry cattle for salvage which has definitely increased the number going out. As a result of this measure to subsidize the transport of dry cattle, there has been an increase in the exports from 12,000 to 15,000 per year. I hope the wise step taken by the Bombay Government will be followed by other Provincial Governments and that His Excellency the Viceroy will use all his good offices to persuade them. It will help in some way to fulfil the ultimate objective—the increase of agricultural production.

There is only one other question, Sir, to which I would like to refer at this stage. I am glad to see, Sir, from the speech of the Hon. the Chief Commissioner that a programme of construction of new railways and restoration of the dismantled

lines have been tentatively settled in consultation with Provincial Governments and negotiations are proceeding in respect of expansion in Indian States. I trust they will be speeded up with all possible zeal. In many of the Indian States, there are still large undeveloped areas—all sources of great potential industrial wealth. They may offer great opportunities for increasing the supply of raw materials for a number of useful industries. If they are to be properly developed adequate railway facilities should be provided. I hope, Sir, that in framing this programme of new construction special attention will be paid to the needs of these States and the urgency of exploiting these undeveloped areas for increasing the resources of the country.

As regards the question of locomotive and boiler manufacture in India, one of the most urgent questions for railway development, I am sorry that the Hon. the Chief Commissioner has dismissed it in a few lines. I am sure he realises the importance which the public attaches to it and will give to the House more definite assurances about the Government's intentions. In this connection, Sir, may I refer to one point mentioned by the Hon. the Chief Commissioner ? Referring to the value of war work done and the sacrifice made by the Railways, he said :—

" Amongst equipment despatched overseas were 8 per cent. of the metre gauge locomotives and 15 per cent. of the metre gauge wagon stock. Broad gauge stock was converted to the standard gauge and similarly released. Some 4,000 miles of track and over 4 million sleepers were absorbed for overseas or for military requirements in India ".

There is no purpose now in going into the question whether the Government were right in depleting the country's resources in this manner and so seriously endangering the transport position in the country. War exigencies may have necessitated such risks, but the public in this country is now entitled to know how much of them have been returned and what is now being done to replace them with the help of the Allied Powers. If India's help and resources were taken in this manner during the war, at considerable cost to her economy, she is entitled to expect that some suitable reparation should be made now in the form of replacements to meet the country's urgent requirements.

In conclusion, I only hope, and I take this opportunity to earnestly appeal to His Excellency the Viceroy and his Government, that they will seriously consider all suggestions and call upon the Railways to help in meeting the food crisis.

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern: Non-Muhammadan) : Mr. President, the Budget that has been placed before us coming as it does after a series of extremely prosperous Budgets, must serve as a warning to us of the dangers that lie ahead. The Honourable the War Transport Member has in the course of his speech drawn our attention to the growth in the revenue and expenditure of the Indian Railways since 1939. Both have more than doubled and there is no doubt that owing to the phenomenal increase in the traffic caused by the war the Railways have not only been able to pay the contribution required of them to the General Revenues but also to build up the Depreciation Fund and raise the Railway Reserve Fund from about half a crore to nearly 30 crores. War cannot be welcomed in any case and I am not certain that the aftermath of the war will not affect the Railways seriously but there is no doubt that the war, while it lasted, enabled the Railways to build up their finances and reserves. We have however to note that the surplus which was nearly 50 crores in 1944-45 is expected to fall to about 12 crores. Every one here will echo the hope expressed by the Hon. the War Transport Member and the Chief Commissioner for Railways that the traffic in the coming year will come up to the level of the year 1943-44. Indeed, we all hope that our Railways will not pass through the dark and difficult times which they had to face during the depression of the nineteen thirties, but we have to be cautious. I do not accuse the Railway Board of not being mindful of the dangers that may soon confront it but I should like to say a word with regard to the capital programme of the Railways. The situation is in some respects better than it was in the nineteen twenties when nearly 30 crores of rupees were spent annually on railway construction. The rate of interest is much lower now and I believe that there is a genuine demand for railway expansion. Nevertheless, it would be wise at the present time to go forward cautiously and to see that railway expansion proceeds in line with the general growth of economic activity in the country. There is no doubt that the Railways can contribute to the maintenance of employment

[Pandit Hirday Nath Kunzru]

and better economic conditions but the ability of the Railway Board to expand their activities, to undertake a large programme of railway construction would depend entirely on the economic conditions prevailing in the country in future. I am personally entirely in favour of a large transport programme because extended transport facilities are necessary in the interests of the agriculturists but the experience of the nineteen thirties ought to be a warning to us and we should see that the expenditure incurred on new construction is not such as to place an unnecessarily heavy burden upon the Railways if depression comes. I hope that the steps that are being taken to develop the agricultural and industrial resources of the country, though not very satisfactory, will prove sufficient to avert depression. The existence of the United Nations Organisation should also prove reassuring to us for we can count in the event of a general slackening of economic activities on the combined assistance of the nations of the world in dealing with the situation. Nevertheless, we have to be cautious in this respect. I should like to repeat that I have no intention of accusing the Railway Board of placing before the public a programme of railway construction without bearing in mind the conditions that may arise in the near future, but I think that as the representatives of the taxpayers it is necessary on our part to place our views on this important subject before the Railway authorities.

Now, Sir, I should like to say one word with regard to the bringing of the main railway lines in the country under State management. Many of the railways which are now being managed by the Railway Board were the property of the State but there is also no doubt that some railways have been acquired which were not merely company-managed but also company-owned. Being one of those members who frequently drew the attention of the Government to the need for bringing all railway transport not merely under the management but also under the ownership of the Government I cannot but feel happy that at least all the important railway lines in the country are now the property of the State, but this addition to our property makes a proportionate increase in our responsibilities and it is necessary for us to consider at this time what steps should be taken not merely to maintain the efficiency of the Railways but to bring about a continuous development in their earning capacity. There are two problems before us in this connection. One is the question of securing the association of public opinion with railway management, of securing that democratic control goes hand in hand with the development of the Railways; and the second is that the Railways should be as efficient as possible. I believe that it is possible to combine democratic control and economic efficiency. But the matter requires careful thought. I know that, had the Federal provisions of the Government of India Act come into force, a Railway Authority would have been set up. But the character of the Authority that was to be set up was such as to cause great and legitimate dissatisfaction in the country. The constitution of the Railway Authority was based on distrust of the Legislature and the people of the country. If we are to have an organisation which will watch over the development of the Railways from a business point of view and at the same time be regarded by the public as its representative, it is necessary that it should be under the control of the Indian Legislature, that it is further necessary it should contain representatives not merely of business but also of other classes including economists and the users of the Railways, who, I have no doubt, will be able to make a valuable contribution to the discussion of problems that might come before them. Apart from this, what I feel is that we need not merely an over-all authority for the whole of India, but also some machinery which will enable control of the kind that I have spoken of to be exercised over each important railway system.

The thoughts that I have placed before the House are naturally of a general character, but I have mentioned them to draw the attention of the Railway Board and the House to this important subject, because the organisation that was proposed to be set up under the Government of India Act, 1935, and the principles on which it proceeded were such as to create constant friction between the public and the Railway authorities. We must in future have an organisation which, while not interfering with the legitimate authority of the Railway Board and the railway managers, while allowing full play for official initiative, and providing for

flexibility, yet provides at the same time for the exercise of that effective control which the Indian Legislature during the five days that it discusses subjects connected with the Indian Railways cannot possibly exercise.

I shall now pass on to the question of locomotive manufacture in which the Indian Legislature has taken no little interest at least during the last ten years. When the subject was discussed about three years ago in this House, the Hon. Sir Edward Benthall assured us that locomotive construction works would be set up in this country, whatever the number of engines available might be. I am glad to see that that undertaking is going to be fulfilled. But I should like to ask for a little more information than has been given either in the speeches of the Hon. the War Transport Member and the Chief Commissioner for Railways or in the Explanatory Memorandum. According to Sir Edward Benthall, we shall have after the war, when all the engines ordered are available, 8,554 engines as compared with 7,279 engines possessed by us when the war commenced. We also learn from him that, of the engines, 29 per cent. have passed the normal age of 35 years, and that it might therefore be necessary to order a certain number of passenger engines from overseas before the locomotive building works now in course of construction in India are in a position to meet the demand. Now, I do not know whether 29 per cent. of the old engines, or 29 per cent. of the stock as it will be when all the engines ordered have been received, will have passed the normal age of 35 years. It seems, however, that the Railway Board will have to replace between 2,000 and 2,500 engines in the near future. I do not know whether my calculation is correct, I hope that my Hon. friend the Chief Commissioner will correct me if I am wrong. Now, the locomotive works to be set up at Kanchrapara will provide for the construction of 80 locomotives only per year. Are Government going to make any other arrangements also for the construction of locomotives? Sir Edward Benthall, in his speech in this House in 1943 in connection with the construction of locomotives, said that another locomotive construction works might also have to be established. I do not know whether Government adhere to that intention. But in any case I should like to know what is the total number of locomotives that would be manufactured here, and during what period it is proposed to replace the over-age engines? I put this question partly in order to know what the exact position in India will be and partly in order to find out to what extent it will be necessary for the Indian Railways to have recourse to foreign agencies for the supply of the locomotives that we shall need. I hope that it will not be necessary for the Railway Board to order a large number of locomotives from outside the country after our own locomotive building works have been set up.

Sir, at a time like this, when the country is demanding that the administration of all important Departments should be in the hands of Indians, indeed that the entire Government should be fully controlled by Indians, I find that since the retirement of Sir Lakshmipati Misra after officiating as Chief Commissioner for a few months there has been no Indian Member on the Railway Board. Government know the importance that Indian opinion has attached to the presence of Indian Members on this Board. At least for 18 or 20 years this matter has been continuously before the authorities. Yet, today when we are told that a Committee of the Cabinet would be coming to this country to settle the constitutional issues, we find that the Railway Board is without a single Indian Member.

THE HON. MR. M. THIRUMALA ROW: It will be completely Indianised.

THE HON. PANDIT HIRDAY NATH KUNZRU: My Hon. friend Mr. Thirumala Row says that it will be completely Indianised. I hope that that time will come very soon. But the responsibility of the Railway authorities in allowing a state of things like the present one to arise cannot be minimised. They ought to tell us how it is that they have not considered it fit to appoint a single Member on this Board?

In this connection, Sir, I should like to refer to the question of recruitment for the gazetted services. It was agreed by the Railway Board about 18 or 19 years ago that 75 per cent. of the recruitment for the superior services should take place in

[Pandit Hirday Nath Kunzru]

India. But what we are concerned with now is, not whether the number of Indians in the superior services should be increased but whether it is necessary to recruit any of our officers from outside the country except for appointments requiring expert knowledge. No one, Sir, would hesitate to employ experts with the required qualifications, wherever they might be available, and to remunerate them adequately provided steps were taken at the same time to train Indians to fulfil the responsibilities for the discharge of which outsiders have to be appointed. In view of this I suggest that non-Indian recruitment to the superior services should be discontinued. The Indian Legislature is demanding that non-Indian recruitment to all superior services should be stopped. We are, therefore, perfectly justified in asking that the Railway Board should take note of this demand and shape its policy accordingly.

THE HON. THE PRESIDENT : You will please bring your remarks to a close now. I have already allowed you five minutes more as Leader of your Party.

THE HON. PANDIT HIRDAY NATH KUNZRU : It is very kind of you, Sir. I will bring my remarks to an end very soon. There is one other important matter to which I should like to refer before sitting down, and that is the question of the Betterment Fund. I hope that Government will take adequate steps very soon to provide better facilities for third class travel. I may say, Sir, that no part of the speeches of the Hon. the Chief Commissioner and the Hon. the War Transport Member has given me greater satisfaction than that which deals with their proposals regarding the development of third class travel and the provision of amenities for third class passengers. This is a subject which undoubtedly requires the urgent attention of the Government. It has been under the consideration of the Railway Board for a number of years. But the amount of expenditure incurred on the provision of the necessary amenities and facilities was exceedingly small and I hope that in view of the money now available, a systematic programme would be chalked out and speedily executed. It is extremely necessary at the present time that we should make our Railways attractive to our most important users. It is desirable not merely from the general social point of view but also from the commercial point of view that the Railway Board should take as vigorous steps as possible in order to improve the facilities provided for third class travel.

If I may refer to one more point, Sir, I should like to ask with reference to the disagreement between the Railwaymen's Federation and the Railway Board what are the exact demands of the Railwaymen's Federation in regard to wages and dearness allowance, and what they will cost the tax-payer. The Railway Board, in the lengthy communique which it issued in December last, while it dealt satisfactorily with the question of the retention of employees engaged during the war, and while it was able to assure the public that it would do its best to see that no staff was discharged, was silent on these two important questions. I hope that the spokesman of the Railway Board will throw light on these subjects in his concluding speech.

In conclusion, Sir, I may say that since the principle of the application of continous mileage has been accepted in connection with goods traffic, I suggest that it should be accepted in connection with passenger traffic too. I have brought this point to the notice of the Railway Board in the past but I have always received a discouraging reply on the ground that if this method were adopted, it would be difficult to know what the exact income of each railway system from passenger traffic was. Since the Railway Board have themselves accepted this system in the case of goods traffic, I hope that no objection will be raised to its application to passenger traffic.

THE HON. MR. G. S. MOTILAL (Bombay : Non-Muhammadan) : Mr. President, a significant transformation has taken place after the advent of the war in the nomenclature of the Hon. the Railway Member and the Hon. the Railway Member has become the War Transport Member. This is the last Budget presented by the War Transport Member and he calls it a Victory Budget. Indeed, Sir, it is a victory budget, because the Railways of India have played a very great part in the winning of the victory. A part was disclosed recently only in this House three or four days ago by the Chief Commissioner of Railways. I say it is a part. I feel

he will again some day be able to disclose something more. But, Sir, it gives a grim reminder that the prosperity of the Railways cannot be expected to continue at that rate and we should be prepared for a decline in the receipts of railway revenue. That is but inevitable. I recognise that these war profits which the Railways have made cannot continue when peace comes, and it will require a very close eye to keep to the revenues of our Railways. It is a very big concern where the nation has sunk about 800 crores———

THE HON. MR. M. N. DALAL : No, no. It is 700 crores.

THE HON. MR. G. S. MOTILAL : I have my own figures and I would go by my own figures. I will refer you to the Budget from which you will find that it is 800 crores.

Sir, this year's Budget has several new features which were touched in the speech in this House and in the other House by the Chief Commissioner of Railways and by the War Transport Member. As there are many speakers I will make only a rapid and a brief survey of those points. First of all, I feel that the estimate of revenue is undoubtedly an under-estimate. I am not one of those who would say that if there is no other criticism the cheapest criticism to level is that revenue is under-estimated. I know the difficulties of framing a Budget. I would rather make a cautious estimate than go wide off on the other side. All these years there has been a larger surplus in the revenue than was estimated when the Budgets were presented. This year the revenue is estimated to the extent of 20 per cent. less than last year. Reasons have been adduced for it. But to my mind, taking a very far view of the estimates, of course I do not possess the materials which the Railway authorities have at their disposal, but taking a far view of it, I think the revenue is more likely to exceed than to fall off. We have a large Reserve Fund. That is a feature which is satisfactory. Our Reserve Funds and the Railway Funds come to about 130 crores and this I consider a satisfactory feature.

Sir, in the speech reference is made with regard to the transportation of coal. For shortage of wagons, transportation of coal is not very satisfactory and the proposal to shift it to water transport is one which I am prepared to accept and endorse.

Sir, the question of locomotives has been taken up by other members and will be again taken up. Therefore I shall not lay much stress upon it, but I wish to say one thing, that the people of this country desire that all the railway materials which are required by the Railways of India should be made and manufactured in India—not only locomotives, not only wagons, but everything else that is required. It is such a large concern and the preparations made for it are not really adequate.

Sir, with regard to passenger traffic, I must say that the figures given are not very definite. I asked last year, and I again ask you to separate the figures of local and suburban traffic when you show the increase in the number of passengers for which the railway is serving. It gives a very misleading picture. You should know what the figures of the local traffic passengers are ; for they are a very large number. Has that been taken into account when the Hon. the War Transport Member says that the increase this year is expected to be 6 or 7 per cent.? If it also takes into account the figures of suburban traffic, then suburban travel is certainly very short distance travel and it should not be confused with long distance travel. That will give a more correct picture to the House if two separate sets of figures are given to the Legislature.

Sir, the conditions of travel, as admitted by the Hon. the War Transport Member, are not satisfactory. I hope that every attention will be given to improve the conditions of travel. Overcrowding is a little less now, but it is still very bad, and it requires still greater attention to be paid to it.

Then there is the proposal about the new type of coaches for the use of the third class passengers. We are waiting to see these coaches. If those coaches will give greater comfort to the third class passengers, as it is promised that they will, it will be a welcome feature.

Sir, Indianisation of the staff requires a great deal of attention. By this time the Government ought to have completely Indianised the staff. I hope the authorities

[Mr. G. S. Motilal]

now responsible for this realise the necessity for it and agree with us that this should have been done. We are going to create about 214 new posts. May I ask how these are going to be filled up? Are they all going to be filled up by Indians or not ? Temporary posts they are, but even as temporary as they are, can you not find Indians in this country who will be able to discharge the duties required of them ? If you say that you cannot find Indians, then certainly it is a state of things for which the Government is responsible and should feel sorry.

Sir, last year I made a point that the Railways are not getting adequate return for the assistance and the services which it has given to the military. I gave my reasons for it. I do not propose to repeat those reasons. I examined the Budget speeches and the Memorandum which we received along with it and going through them I found that my impression is correct, for the increase due to military traffic has not been as much as it has been compared to other traffic. A number of wagons and railway engines are still under the control of the military. One would like to know how long they are to remain under their control. Now that the war has ended and six months have gone by, another six months should be more than sufficient to get control of these wagons and locomotives, but I think, Sir, an expert Committee, an independent Committee, should be appointed to examine very thoroughly whether our Railways have got what they should have got for the services which they have given to the military.

Sir, I know and I am going to bring it to the notice or to inform the Chief Commissioner here that a certain leakage in the revenue is occurring and it will require a very close eye—you will have to keep a very close eye—on the leakage of the revenues in the years to come. One or two instances have come to my notice of a similar leakage in the telephone services. Government does not get the full revenue that belongs to it. It is for them to exercise that scrutiny over it which will bring them the full revenue.

Sir, I would not take more time of this House.

*THE HON. MR. M. N. DALAL (Bombay : Non-Muhammadan) : Sir, the lean years of the Railways are over and the railway finances are having today a period of unprecedented prosperity in which the Railways have been able to render substantial service to the General revenues at a time when they are being subjected to considerable strain on account of the aftermath of a total war. We realise, Sir, that the Railways are not earning easy money without strenuous efforts. An efficient communication system, Sir, is the life-line of a modern State and the Indian Railways may well congratulate themselves on the splendid record they have been able to achieve in maintaining an overflowing stream of men and supplies for a population of 400 million people. These, Sir, are great achievements but with these achievements there is also a gloomy side of the picture. The Budget does not hold this time, in spite of the huge surpluses, any reduction in rates and fares and in the words of the War Transport Member we are told—we have been given a warning—of the danger of war-time legacy of a high level of operating costs and commitments of huge post-war plans and amenities in the face of a level of rates and fares out of tune with the level of prices. In addition to this, Sir, there is the steep fall of Rs. 48 crores in the railway receipts for the year 1946-47. A notable feature of he Railway Budget, Sir, is that the Hon. the War Transport Member is going to provide more passenger and goods services for civilian use due to the depletion of such services on account of war conditions. This, Sir, comes to some of us who are used to travel on the Bombay-Ahmedabad section as very welcome news ; some of us who are used to the appalling sight of overcrowding and the mad stampede of running to get into compartments.

The Hon. the War Transport Member states that the stocks which were lent to the military have been so depleted that for the most part they will have to be replenished. I wish, Sir, to give a realistic picture of the situation. The Hon. the War Transport Member had put in this particular item at least for accounting purposes to the Defence Services or better still to the South East Asia Command with India as the base so that we should have been able to recover to a certain extent a portion of it from His Majesty's Government or the United Nations. For the year

*Not corrected by the Hon. Member.

1946-47 the restoration of the lines dismantled during the war along with the construction of certain new lines will cost the Railways Rs. 2 crores, whereas for the rolling stock which was sent abroad and the engines sent to the Middle East during the war we were only paid their depreciated value.

It may also be mentioned here, Sir, that even with the present manufacturing capacity of 17,932 wagons ordered in India 13,439 have been already on the lines. I think this is a wonderful achievement for our Indian industry. The performance of the Indian manufacturing capacity is out and out better than that of the United Kingdom or of Canada; for out of the 8,000 wagons ordered from Canada, only 6,000 have come in, and out of the 10,000 wagons ordered from the United Kingdom, 3,800 only will have arrived by the end of March. The arrivals from abroad are behind schedule. Out of 934 broad gauge engines on order, only 733 have been put into service. The Government of India have cancelled an order with the United States for 3,410 broad gauge wagons on account of the cessation of lend-lease activities. This, I think, is welcome. But I wonder if it would be possible to cancel the order we have already placed with the United Kingdom and Canada for the broad gauge engines and wagons which are already behind schedule, and to start manufacturing the same in this country, instead of committing ourselves to a very huge import programme and restricting our activities merely to replacements.

There is one other point. I welcome the suggestion of the Hon. the War Transport Member to examine and modify the railway rates structure. I think at this stage it is very necessary that this highly technical subject should be taken properly into consideration. Our present railway rates structure, with its maxima and minima limits, is not to the industrial or economic advantage of this country, and it should be adjusted with a view to helping the greater movement of agricultural products and raw materials to manufacturing centres and of manufactured products to centres of consumption.

Mr. President, finally I would request the Hon. the Chief Commissioner for Railways to see that the highest priority is given for the transport of food, and to spare no effort to prevent the debacle of starvation which is today facing millions of our countrymen.

*THE HON. SAIYED MOHAMED PADSHAH SAHIB BAHADUR (Madras : Muhammadan) : Sir, the Railway Budget which has been presented to this House this year may, in my opinion, be termed as a most unimpressive document. There is hardly any feature of it which can be regarded as particularly satisfactory or encouraging. No doubt the financial side of it does arrest one's attention ; but here one has to remember that the peak profits which have been achieved by the Railways are not a sign of healthy prosperity. These profits have been brought in by the war, and very soon they will be disappearing, now that the war has come to a close. But, Sir, what one vainly looks for in the Budget is the steps which have been taken to cushion the change from war to peace-time conditions. Here we find that the Railways have again been caught napping. It is a matter of common knowledge that in spite of the warnings that had been sounded and the very salutary advice that had been given in the Central Legislature for years previous to the war that attempts should be made to manufacture locomotives here, that attempts should be made to help the Railways to become self-sufficient and self-supporting, the Railways hardly took any steps in those days in that direction. The result was that when the war came they were found most unprepared and the grim consequence was that this state of unpreparedness did cost the country very dearly. India had to pay exorbitant prices for the locomotives that she had to purchase abroad.

Now that the war is ended, what do we find ? Here again we find that the Railways are most unprepared. Apart from some vague, indefinite promises of amenities to the third class passengers, there is hardly any scheme which you find mentioned in the Budget proposals in order to enable the Railways to switch over smoothly from war to peace-time conditions. Promises of some very big amenities have been held out to the third class passengers. Third class passengers have been promised sleeping accommodation. But even this attractive promise suffers from glaring imperfections ; for there is nothing to indicate when this scheme is to be undertaken. The third class passenger is not given any indication for him to

*Not corrected by the Hon. Member.

[Saiyed Mohamed Padshah Sahib Bahadur]

hope that a beginning will be made in this direction soon. The Railway authorities have got to realise this, that what the third class passenger now wants is not sleeping accommodation which may be provided next year or in due course when it is possible for Government to provide it, but immediate relief from the utterly inhuman conditions in which he is travelling today. My Hon. friend Raja Motilal expressed his view that the conditions of travel are somewhat better now. With due deference to his opinion, I still hold that the conditions are still inhuman, still intolerable. These conditions were put up with, they were tolerated so long as there was a war on but now that the war has ended, there is no excuse for these conditions to continue. The Railways have got to do whatever is possible to improve the conditions ; they have got to bend all their energies, they have got to use all their resources, to see that the conditions of travel of the third class passengers improve, and improve immediately. They need not give sleeping accommodation to the third class passenger immediately. All that he wants now is that those who have to travel might not have to risk their lives by standing on the footboard, and that they should have enough room at least to sit down, or at least to stand in the railway carriages. They do not get even that much space today. We know that even in normal times railway travel for lower class passengers was the worst in the whole world. In no part of the world was there this kind of over-crowding, this kind of huddling together of human beings. My appeal to the Railway authorities is that they should somehow try and bring relief in this direction. They will have to increase the third class coaches and the passenger services. There may be the excuse of bottlenecks. They may say that the coal position does not allow them to increase the services. But, whatever the difficulties, they will have to bring all their resources to the solution of this urgent problem and afford immediate relief to the lower class passengers. A note of warning has been sounded by my Hon. friends who have preceded me. The Railway authorities have to take a long view of things. They should know that if in spite of their warning to the people not to travel there has been this volume of traffic, this is due not to the fact that people are enamoured of railway travel but because of compelling necessity which forces them to undertake these travels even at the risk of their lives, and that it is necessary that every care should be taken to see that railway travel improves, and that at least ordinary comforts are given to the passengers who might have to travel under normal conditions and that Railways have not again to fall back upon those dark days of the preceding years and that they do not become a source of burden to the country instead of being a fruitful source of revenue to the State.

Just a word about retrenchment. A mere promise that there is not going to be retrenchment on any big scale is not very satisfactory. Railway authorities should do whatever is humanly possible to avoid retrenchment. Even if these temporary hands are retrenched, the problem of re-settlement of ex-servicemen is not going to be solved. This policy of retrenchment, in whatever shape or to whatever extent it is effected, is not going to give any substantial relief in the matter of solving the problem of re-settlement. Not only would this prove to be quite an unjust policy but it would also be a very ineffective and a very unsatisfactory method of trying to solve the problem of re-settlement. The Hon. the Chief Commissioner has been kind enough to admit that the temporary railway worker did his bit during these hard times, that he put in very hard and loyal work during this critical period. In view of this, it will be utterly unfair that the temporary worker should now be thrown out of service simply because his brother who had temporarily gone to the war, has got to be provided for. These ex-servicemen, these demobbed soldiers, have got to be provided for. But now that the Government have got such a number of schemes for reconstruction, some alternative avenues of employment should be provided for them. My appeal is that the temporary hands who have recently been employed and who did their level best to rise equal to the occasion and contributed so much to the success of the Railways in doing their bit during these hard times should not be thrown out in the streets.

There is one thing which I would like to bring home to the Railway authorities, and that is, the Muslims have a legitimate grievance against the Department.

Nowhere else have they been so ruthlessly victimised andsuppressed as in the Railways According to the Home Department Resolution, the Muslims should have got 25 per cent. representation on the Railways. But what is it we find now ? The whole representation that the Muslims now have on the Railways comes only to 8 per cent. I do not lay the blame on the authorities who now control the Railways. This is a legacy which has been inherited by the Government from the days when Railways were company-managed. It is the callous attitude of the railway companies under the company-managed system that is responsible for this unsatisfactory state of affairs. But now that the railway system has come under the control of the Government, there is no justification for the Government to take things in an easy way, in a spirit of *laissez faire*. They have to do everything possible to see that this grievous wrong is righted. I am one of those who has always been agitating for the Railways to come under the complete control of the State. I am one of those who, even as long ago as 1933, in the Railway Conference which was held in London, recommended that all the Railways in the country should be owned by the State. This recommendation of that Committee was not because that the members of that Committee grudged the shareholders of the railway companies their dividends but because we thought that all the injustices and defects we found on the system could be more effectively solved if all the Railways came under the management of the State. Now that the Government have taken over the Railways, they ought to do whatever is humanly possible that this grievous wrong is righted and that the Muslims are given their due share. In this connection I would like to make this small suggestion. I have just stated, Sir, that the Railway authorities should do their level best to see that no retrenchment at all is effected in the Railways. But if this course has to be adopted, if retrenchment has got to be done even to any small extent in any shape, then the Railway authorities should take care to see that none of the Muslims who began as temporary hands should be retrenched, and that all of them should be made permanent. This will give them a little more of their share on the Railways and will go to redress some of the wrongs that have been heaped upon their shoulders all these years. Even if these temporary hands are retained, even then the Muslims would not get even half of the representation that has been sanctioned by the Home Department.

Just one word more about the food situation. I wish to join my Hon. friends who have stressed that the Railways should rise equal to the occasion and see that transport of foodstuffs is given the first priority. It is not enough that food should be produced in abundance, but it is very necessary that it should find its way from surplus areas to deficit areas. My own province is the most hard hit in this respect. The food problem is most acute in my province. I make an earnest appeal to the Railway authorities to see that they do their best to see that food is transported as quickly as possible, giving it preference over every other kind of commodity.

THE HON. MR. SURPUT SINGH (West Bengal : Non-Muhammadan) : Sir, within the time allotted it is neither possible to go through the literature thoroughly nor feasible to engage in a detailed discussion of the Railway Budget. As usual there is the jugglery of figures, too many pious hopes, plenty of platitudes and not a few lame excuses put forward as 'intricate or complicated problems' when referring to essential requirements. Sir, a quite up to date presentation was the need. The Department forgot that we were twenty-five years ahead by reason of the war. Humdrum, desultory and worn-out talks won't do any more. We are in a post-war period and naturally long for post-war reconstruction schemes in our transport systems. The revenue figures presented indicate outward signs of plethora. Revenue obtained from carriage of huge American forces and their military materials created such revenues. Again, there was the revenue obtained from distasteful surcharages levied upon the hard hit civil population. We can therefore very well understand the reasons for the anticipated steep fall in revenues in the near future and for there being no fixed time scale for improving travel amenities.

Sir, I quite appreciate the troubles and difficulties which our Railways had during the stress and strain of the war, but what I resent is the attitude of non-consideration whatsoever for the civil population, whose money has always gone to feed the Railways and Railway Chiefs everywhere so plentifully in years gone by and,

[Mr. Surput Singh]

I may say, will so feed them in years to come. The Railways should take note that times are changing fast. They should fall in line with popular views and sentiments —what the masses really want. The time-worn outlandish mentality won't do any longer.

Sir, the Railways must note that discomforts, inconveniences and disabilities of lower class passengers have reached the breaking point. I say that unless they are removed forthwith, smooth running of trains may be hampered any day. People in desperation may take it into their heads to lie down on the track and stop trains running in protest. So Railways must provide more accommodation, create less worry in booking and transport and afford more amenities to the lower class passengers. What I would suggest is—

(1) to cut down very much the saloon accommodation, air-conditioned cars, restaurant cars in the trains and give all the space thus saved to third and inter class passengers ;

(2) to see that the illiterate, ignorant and poverty-stricken people are not put to trouble and humiliation and extortion at the time of booking and despatch of their goods by the staffs concerned ;

(3) to see that fresh, clean and healthy foodstuff, pure drinking water and cleaned and disinfected compartments are provided for them ;

(4) surcharges in rates and fares adopted purely as a war measure have got to be taken away forthwith. They are aggressively telling upon the hard-hit people. The sooner it is done, the better ; otherwise desperation may run riot and work immense damage and mischief ;

(5) to provide through carriages for lower class passengers from one big junction to another as is being done for the higher classes and not to leave the helpless people to shift for themselves anyhow in those big places ;

(6) to direct the supervising staff to spare some of their time and services for the lower class passengers and not to allow themselves to be wholly monopolised by the upper class passengers ;

(7) to take every precaution to keep down the continuously increasing accidents and derailments reflecting the greatest discredit on the Railway Administration ;

(8) to Indianising the services in the Railways for which much agitation has been going on for the last decade in both the Houses.

Sir, our Railways, becoming a hand-maid of the military during the war, let down those for whom they are made and for whom they exist. Military transport shamelessly superseded supplies for civil population at the time of the greatest scarcity of food and brought about the horrible disaster in Bengal. That war mentality—that all consideration for the civil populations are subordinated to the military—must go altogether now. The private colliery owners with stocks of good cheap coal failed to transport their available stocks to the chief centres of consumption because of the partial treatment of the Railways in providing wagons to the European-owned collieries chiefly. The coal supply position was further worsened by red-tapism, delay, greed, corruption and inefficiency of the railway staff controlling coal transport and supply.

Sir, in such a vast country as India, with so many big, well-equipped and well manned railway and commercial workshops, the potentialities of which have been abundantly made clear during the years of the war, it is unfortunate that we have yet to place our orders abroad for simple under-frames and wagons, reflecting no credit on our Railway Administrations. Sir, it is undoubted that our Railways were put to a heavy strain on account of the war and it is just and proper that a portion of the expenditure of our Railways during the years of the war should be borne by the British Exchequer. It is strange that nothing has been said by our Railway Chief on this important point. Sir, in some places and occasions the Railway Administrations have betrayed a political mentality to the exclusion of the commercial.

A commercial concern operating inside the country and depending upon the good wishes of the people cannot afford to be politically-minded.

Sir, one point more and I conclude. The Railway Chief has been pleased to hold out to us all manner of hopes for affording amenities to third class and inter class passengers without specifying any time. May his assurances come true ! But before all that is fulfilled, let us immediately have arrangements made for reservation of only sitting accommodation for lower class passengers on the lines of reservation of the sleeping accommodation for upper class passengers.

*FLT.-LIEUT. THE HON. RUP CHAND (Punjab : Non-Muhammadan) : Sir, I congratulate the Hon. Sir Arthur Griffin on the masterly manner in which he has presented the figures of the Railway Budget for the next year. I have a little in common with him inasmuch as he once belonged to Lahore and he was a friend of my late revered father. It is indeed gratifying to find that the Railways have, in spite of the increased cost of operation, shortage of supplies and personnel and numerous other difficulties, shown a surplus in the Budget. I would, however, like to point out that this surplus has been at the cost of the comforts and services to the average passenger. Anyone, who has seen the dreadful conditions in which the lower class passengers have to travel and has also seen passengers dangling precariously on footboards and on roofs of carriages, will realise the cost at which all these profits have accrued. I dare say the Hon. Sir Arthur Griffin has himself witnessed these mortifying scenes and has probably pondered to find out a solution for all these ills. The improvement of the conditions of lower class passengers has been the subject of debate for numerous years in both the Houses, but all that we have said has been of little avail inasmuch as conditions continue to be as disgraceful as they always had been. Sir, the efficiency of the Railway Administration in India has to be judged not by the profits which they can show at the end of the year but by the conditions which they furnish for the ordinary passenger for travelling. The major portion of the revenues are derived from the fares paid by the third class passengers and it is the height of injustice to deny them the minimum facilities. It was during these years of prosperity that Railways should have planned to improve the conditions of third class travel but little appears to have been done nor, it appears, is very much contemplated for the future. The third class passenger is not vocal and I would suggest that instead of providing saloons and first class facilities for railway officers they should all be made to travel in third class, as then alone will they realise what agonies and tortures the third class passenger has to go through. The third class compartments are for one thing over-crowded and I have known cases where people have fainted or even died due to congestion. In a hot country like India one would have thought fans were the minimum necessity which Government could provide for the average passenger. Instead we are told that they will be installed in inter-class compartments. This is little comfort to the third class passenger who above all needs this facility.

Next I come to the deplorable condition of the lower class waiting rooms at big and small stations. I do not have to go far and will invite the Hon. the Chief Commissioner for Railways to go to the Delhi Station where the waiting room abounds with flies and foul atmosphere, and I won't be surprised if the waiting rooms may be the breeding place of some epidemics. At small stations there is no adequate shelter or protection from rain, cold or the burning sun. We know, Sir, that all this prosperity and surpluses are derived from the poor and hungry masses and spent on luxurious air-conditioned coaches for a class which does not in any way help to run the Railways.

Next I come to the Indianisation in the Railways. This matter has been raised several times over in the past. In his speech the Hon. Member has made no reference to this subject. Key posts on most Indian Railways are still held by Europeans. I draw the Hon. Member's attention to the 1924 convention when it was decided by the Legislature that the Railway Board and all the Railways will be totally Indianised. This was twenty-two years ago and I ask my Hon. friend as to what action has so far been taken ? This failure to appoint Indians appears to be a deliberate omission because no one will believe that suitable and qualified Indians cannot be found to fill the posts. Does the Hon. Member also realise that the salaries of the subordinate staff are extremely low to let them barely make their both ends

*Not corrected by the Hon. Member.

[Flt.-Lieut. Rup Chand]

meet ? If a portion of this surplus was spent in raising their salaries and providing amenities for them and their families, the Railway Department would be doing a real service.

The Hon. Member has made no reference to any proposal to reduce railway fares. From year to year they have gone up and now when prices are expected to fall and a famine is staring us in the face, the Government should consider a reduction in third class fares at least.

I would also like to point out the urgent need of further development of Railways in the country because with railway development is linked India's economic and industrial progress. The feeder lines and the gaps in the network of railways should be rapidly filled. As an example, Europe without Russia has almost five times as many railways as we have in India. In executing new projects it must be borne in mind that all the capital is found in the country and foreign vested interests are no longer given any quarter.

Last point before I close. We were told last year that plans had been finalised to manufacture locomotives in India, but this year from the memorandum placed before the Railway Standing Finance Committee I find that the plans have not yet reached the stage when they could be implemented. This is indeed a distressing state of affairs because the poor Indian tax-payer will have to pay more for the locomotives which will be imported from abroad. Thus the position of locomotives as revealed by the Hon. Member is most disappointing from the Indian point of view. All this represents a huge economic drain on Indian revenues.

THE HON. KHAN BAHADUR KARAMAT ALI (Assam : Muhammadan) : I have not had time to go into the Budget and therefore I hope the Hon. Members will excuse me if I do not dabble with figures or do not go into the intricate question of policies involved in the Railway Budget. I will only make some general remarks.

Now in the Budget which the Hon. Member in charge has been pleased to place before this House he has tried to give the impression that the Railway authorities have in their minds the grievances of the lower class passengers and the railway employees. But later on, when developing his scheme of helping inter and third class passengers, he hinted that such improvements would be carried out provided these people were prepared to pay higher fares. This price that is being asked for from these poor people for any improvement that may be made or any relief that may be given to them is not justified on account of the fact that for many, many years they were travelling under very disgraceful conditions and they were not given the facilities to which they were entitled in return for the fares they had paid. I can safely say without any fear of being contradicted that in no other part of the civilised world are passengers made to travel under conditions under which they are forced to travel on our Railways. I wonder whether in European countries even dogs are carried in the way in which human beings are carried in our Railways here. You have for years refused to give facilities to these passengers commensurate with the fares they have paid, and now, when you are going to give them some relief, you want them to pay more ! These passengers travel third class because they are poor. So long you did not do justice to them. And now that you are going to give them some relief, you want compensation. This is an attitude which this House should not support. If the Hon. Member in charge wants to give any relief to these passengers, he should give it immediately, but he should give up the idea of asking them to pay higher fares.

As regards railway employees, it has been said that a large number of employees who had to be employed during the war will have to be discharged. A protest has been submitted by these poor railway subordinates. As the Hon. Member in charge suggests that improvements are going to be made on the lines mentioned in his Budget speech, I hope more people will have to be employed. Therefore, the question of discharging the temporary people should not arise. It was pointed out by one Muslim member that as yet Muslims have not got their due share. Even if the question of discharge has to be taken up, I hope the case of the Muslims will be remembered.

Now, to come to my own Province, I would request the Hon. Member in charge to see if the line between Gauhati and Tinsukia can be improved. This line was operated by the Assam Bengal Railway before the war. The conditions then prevailing were not encouraging. But after it was taken up by the B. & A. Railway the conditions became worse. The coaches reserved for the third class and inter class passengers are not fit even for lower animals. They are always congested; there are no lights, no water, and no facilities whatsoever which ought to be provided to passengers travelling by train. Not to speak of third or inter class passengers, even the upper class passengers are denied the ordinary facilities that are given on other lines. I think all the rejected coaches of the B. & A. Railway have been transferred to that line. Upper class carriages also have no lights. The cushions are all rotten. The bath rooms are dirty and unhealthy. Complaints are made by upper class passengers, but nobody listens to them. It is high time something was done to improve at least the conditions now prevailing on this line between Gauhati and Tinsukia.

Another thing that I would like to bring to the notice of the Hon. Member in charge is that when the Jorhat Provincial Railway was in existence, there was a line between Jorhat and Nimati station. When war came, this line was made over to the B. & A. Railway under certain directions given by the Railway Board. At a meeting held in Shillong the Railway gave the promise that after the railway is taken up by the B. & A. Railway, the public will have the same facilities as they used to have when the railway was run by the Jorhat Provincial Railway. But now, after the war is over, it is understood that the B. & A. Railway is not going to maintain that line. There has been a great clamour raised over this matter and I hope the Government of Assam have also approached the Railway Board in this matter. Sir, the public will suffer very badly if this line is not maintained according to the promise made by the B. & A. Railway at the time the line was taken from the hands of the Provincial Railway. I therefore hope that the Member in charge will kindly remember this matter and try to help us so that the line may be maintained and people are not put to any inconvenience.

Sir, in Assam much was heard about the bridge on the Brahmaputra between Azimgunj and Pandu. Matters went so far that we were expecting daily that the work was going to be taken up. But I do not know why this has been abandoned. Much improvement has been made on the Assam Railways as a result of the war and I think that if this bridge is built, these improvements will be worth something. Otherwise, the improvements so far made will not be of much help.

That is all I have got to say, Sir.

* THE HON. Mr. SUSIL KUMAR ROY CHOWDHURY (West Bengal : Non-Muhammadan) : Sir, the Hon. the Railway Member and the Chief Commissioner of Railways have chosen to call this Budget a Victory Budget. For us, men in the street, there is no difference between this Budget and war-time budgets. There is still overcrowding, and the fares and freight charges have not been reduced. May I ask the Hon. the Railway Member and the Chief Commissioner that if it is not possible to reduce the fares, they should at least restore the return journey tickets at concession rates ?

Now, Sir, I come to another point. All the important Railways are now State Railways. Then why is this difference between the coaches of E.I.R. and the B. & A. R. and B. N. R. ? I would ask the Chief Commissioner to travel in a first class compartment of the B. & A. R. and B. N. R. The condition is simply horrible. The cushions are dirty and torn, and the condition of the lavatories is worse, with filthy basins and water closets which, I believe, are never cleaned.

Then, may I ask the Hon. the Chief Commissioner why the B.N.R. charges different fares for the third and intermediate class in passenger and express or mail trains ? I think the fares charged by the passenger trains are quite high enough and that should be the fare for all trains whether passenger, express or mail.

I now come to catering. Sir, Moghalsarai is an imporatant junction but there is no non-vegetarian restaurant for Hindus in that station. I think that the Railway authorities should see that those Hindus who want non-vegetarian meals do not

*Not corrected by the Hon. Member.

[Mr. Susil Kumar Roy Chowdhury]

suffer. I assure the Hon'. Member that there is a genuine demand for this. Non-vegetarian Hindus suffer great hardship on account of the absence of a non-vegetarian Hindu refreshment room at such an important junction like Moghalsarai.

May I bring another fact to the notice of the Railway authorities and the Food Department. Passengers arriving at a station after 8 P.M. cannot on many occasions get their food from the refreshment rooms as they are told that all the food has been consumed before that time as the ration supplied to the caterers has been reduced by one-third. Sir, this is a serious matter. You cannot allow a large number of passengers to go without their food by reducing the ration supplied to the caterers and cause great inconvenience to the travelling public.

Lastly, Sir, I urge that the State should immediately acquire all other small and light railways now managed by companies so that there will not be any railway in India which is not owned by the State which I hope before long will be an independent State.

THE HON. HAJI SYED MUHAMMAD HUSAIN (United Provinces West : Muhammadan) : Sir, the Hon. the War Transport Member and the Chief Commissioner of Railways have brought forward this Budget immediately after the war is over and this is the occasion when after the inconveniences and a good deal of trouble which the travelling public went through during the war, they can ventilate their views on post-war improvements and in view of the experience they have, make suggestions as to what improvements are necessary. We have been hearing criticisms and we will hear more, because sometimes any stick is good enough to beat a dog with. Sometimes the dog bites and people have to howl and shout. This is the occasion for ventilating the grievances of the general public in the House. But, before I actually shower my own criticism, I would like first to congratulate the Hon. Member that, in spite of the most terrible time that this country has seen, the very great difficulties which the Railway Department have had to face, they have steered through it very well. The Railway Department is not an independent Department in any way. It is so closely associated with so many other Departments that it has to consider the needs in so many directions, and it is impossible to please everyone. Above all, the general public has suffered almost in every direction all these years ; and hence a good deal of criticism can be made but the Hon. Members can justify many of them on those grounds. There were times when Burma had fallen ; then the evacuation of Burma was a very gigantic thing. It concerned not only this Department but other Departments like the Overseas Department and so on. Then there was bombing in the south and in the east in Calcutta and the panic-stricken crowd was so nervous and frightened that it lost its head. They had to leave the place and evacuate the area. Passengers were put to many difficulties. This Department— when I say the Department I mean the officers, men, labourers, coolies, all of them—stood by and did their very best under most difficult circumstances. They went through that. Now that the war is over, we now expect that we would be compensated for all that we have suffered owing to the priority given to war material and men ; we would not in the future have the same reply as in the past that all the trouble is due to war conditions and they are doing their very best. We have got to direct our attention to real improvement, improvement in the direction of comfort, convenience and amenities to the travelling public. We are to face a catastrophe—I hope it is not as bad as we anticipate—in this country even this year, namely, the food situation. This will again be a difficult time for Railways. Railways will have again to consider the transportation of eatables and their priority. They will undoubtedly have a difficult time. But their hands will not be as full as they were during war-time.

So far as Indianisation and the manufacture of locomotives and other necessities of the Railways in this country are concerned, my Hon. friends have spoken and I entirely agree with the views expressed by them. They should see that even an ordinary nail and everything that is required for our Railways is made in India as much as possible and when it is only absolutely impossible then they should import the things from outside. As far as Indianisation of the services is

concerned, I have very little remark to make after what my other friends have said. I think it is high time that the Railways gave serious attention to this subject and tried to fill not ordinary posts and offices, but key position posts of responsibility. I hope the Railway Department is not going to plead that we have not got sufficient men That would reflect upon their competency in not being able to train people. A good many railway men who have been lent to the Military Department will come back in the near future. I hope they will prove themselves an asset to the Railways. The evil—I call it undoubtedly an evil—of giving extensions after extensions to people should definitely be stopped, whether it is to Europeans or to Indians. It does a good deal of injustice to the people waiting below, and if an attempt is made to justify it would amount to incompetency of the Department in not being able to produce enough men to take the places above. I hope there will be no occasion or ground for discrimination between Europeans and Indians. Sometimes one finds that there is some Indian high up the list and some Britisher, down below the list. It is so manoeuvred that the man higher up somehow or other comes down below.

THE HON. SIR EDWARD BENTHALL: Sometimes you find the opposite.

The HON. HAJI SYED MUHAMMAD HUSAIN: I point out to the Hon. Member that sometimes it has been noticed that a person who is not connected actually with a particular railway is made General Manager of that line superseding an Indian. That was with a view that in time to come he may succeed as General Manager of another line on the ground that he held the post of General Manager somewhere else and the man who is above him has no chance. I only say this in the hope that these things should be watched and occasion should not be given — for the impression that it is a question of discrimination and favouritism.

The other thing with which I am most concerned, and I think most of the non-officials ought to be concerned, is the amenities to the travelling public. It is really one of the things that the Railways are bound to pay their attention to and look into. I do not say they neglect it but we are primarily concerned with it. The condition, as has been pointed out by many Hon. Members, of third class passengers not only during these abnormal days but in normal days is pitiable. The water which is supplied to them during the hot weather, the cleanliness of the vessels in which the water is kept, the dirty condition of the floors of the coaches in which they travel—I admit that they are liable to be made more dirty than those in the higher classes but this is no justification that they should remain dirty—all provide a sorry spectacle. Well, I see on some of the lines a person walking about asking whether Flit is necessary ? Surely it is more necessary in the third class lavatory and bathroom than in the upper class ? I only hope that the authorities will pay serious attention in post-war reconstruction to the amenities of the travelling public. We have had this matter discussed and as I happen to be a little more closely associated with the Railway Department I know that these matters have come up before the Advisory Committee and that the advice of the members of the Committee has been sought and that their views are being considered. I only hope that this heavy purse which the Railways are showing to us in their Budget will be properly and usefully spent. It is only then and then alone that this saving would mean anything, otherwise, if it is wasted or not spent on the proper and necessary things then it is a sheer waste which we hope will not be done.

Then among the amenities to be provided for the travelling public and one which is of the utmost importance is food and catering on the Railways. What we feared and what has happened, as has been pointed out by the last speaker, is that owing to food scarcity the ration has been curtailed and it has been curtailed to the same extent as the ration of an individual person. I hope that this Department will approach the Department concerned and make it possible that particularly in Indian catering the ration should not be drastically curtailed. It happens like this that the third and inter class passengers await their reaching some big railway station to get their meals and when they reach such a station at the meal time and ask for something they are told by the caterers that they have not got any *roti*; as they do not get enough wheat; they have not got even rice. Well the poor fellow starves. He is not like a

[Haji Syed Muhammad Husain]

person living in the town who can go to another shop and get something to eat. This passenger has got to travel till he reaches another station at another meal time and gets the same answer! He with his family and children all have to starve. Therefore, I would request the Hon. Member to get something done by the Department concerned and to equip their refreshment rooms with sufficient foodstuff which they may be able to give to the people who are already on the train, and, as was pointed out, the number of passengers who travel now has abnormally increased while the ration which would be reduced for refreshment rooms according to the ordinary percentage will undoubtedly starve more people on the Railways than in their houses.

The other thing is that the position of food this year is such that at least the vendors or those contractors who will supply food to the railway passengers today should be allowed at least sufficient time to collect the material and continue during the most troubled days in their profession and not be left at the mercy of short-term contracts, the termination of some of which may be due three months after, or one month after and so on.

The other point about which I wish to draw the attention of the Hon. Member is the system of taking royalty from the contractors on the tender basis. The House is aware that some time ago the tender basis system, that is to give the contract to the highest tender, has not been approved by the Members of the Legislature and the Railway Department had to accept that recommendation and stop contracts being given on tender basis system. Now it is most remarkable that in some of these cases the royalty has arisen from Rs. 1,500 to Rs. 7,000 and from Rs. 7,000 to Rs. 70,000. The last speaker was mentioning Moghal Sarai. If one happens to pass Moghal Sarai and there tries to purchase a *surahi* the one which you could get for two annas in the city you would not be able to get under eight annas.

THE HON. THE PRESIDENT: Your time is up. Will you please close your remarks?

THE HON. HAJI SYED MUHAMMAD HUSAIN: I am closing within five minutes. Now, who pays this royalty? It affects our pockets, not the contractor's pockets and the railway makes money not as a commercial institution but it makes money doubly on that: firstly, from our pockets in the shape of railway fares and amenities which are included in those railway fares, and, secondly, on those amenities itself. Well, that is very unfair.

With these remarks, Sir, I resume my seat.

The Council then adjourned for Lunch till a Quarter Past Three of the Clock.

The Council re-assembled after Lunch at a Quarter Past Three of the Clock, the Honourable the President in the Chair.

THE HONOURABLE MR. M. THIRUMALA ROW (Madras: Non-Muhammadan): Mr. President, Sir, these are days when one has to be extremely grateful for small mercies, and so far as the present Railway Budget is concerned, we should thank Providence or the compilers of this Budget that it is not worse than it is. I know that they are working in circumstances over which they have no control, but still I would have felt glad if they had been able to give some more details in their figures with regard to the method by which they have arrived at them. From their own figures, it is clear that the Railways have experienced, like any other businessman during the last six years, an extraordinary war boom on account of India being a base of operations and also an object of attack by the enemy. In 1938-39 the gross earnings of Railways were Rs. 107 crores; they have gone up to Rs. 232 crores in 1944-45. That means they have made nearly Rs. 125 crores more than they were able to make in 1938-39. For the coming year they have budgeted for a fall in income to the tune of Rs. 48 crores. I have rummaged all the books supplied to us by the Railway Board, but I have not been able to arrive at the exact figure which they were able to earn on account of the war. What is the difference in their income, and what is the amount that should properly be credited on account of services rendered to the war effort during any of the last five years? All the figures are

jumbled up. Even with regard to passengers carried and goods carried, they do not seem to have separately taken account of the exact income which they were able to earn extra on account of war operations. But since the war has come to a sudden close and they are budgeting for the coming year—though certain of the war conditions are still presumed to exist—I take it that the loss of Rs. 48 crores is the loss which will accrue to the Railways on account of the sudden cessation of hostilities.

With our income, our working expenses also have increased enormously. But they have not been able to add much to the coaching stock. It was our criticism last year that we had not made any provision for bringing more passenger coaches into existence. You wanted to order thousands of wagons to move your goods. New wagons were ordered to be manufactured abroad. You wanted to get new engines from abroad. But you never ordered one coach that will carry passengers and increase the amenities for the passengers. From the figures given here, it appears that during the last year the passengers carried were about 90 crores. The passengers carried in 1938-39 were about 50 crores. That means that the number has nearly doubled, but the accommodation has not at all increased even by one-twentieth. According to some figures which I managed to get from previous reports, every seat that is provided for a third-class passenger in all the coaches combined in India used to carry 500 passengers before ; now the very same seat is called upon to carry nearly 1,000 passengers ! Without incurring any expenditure on the provision of extra accommodation, they have been able to earn more than double the income. That is my complaint against the Railway Board. Therefore, it is not a question of wiping out the deficit and so on. You have, by an arrangement of your figures, wiped out the previous deficit which the Railway Board owed to the General revenues to the tune of 35·4 crores. You have liquidated the loss in the Depreciation Fund to the tune of 30·29 crores. You have made up the loss on strategic lines to the tune of 6·01 crores. Not only that, but you have given a contribution to the general tax-payer to the tune of 123 crores. It is all very good, but I am not an orthodox financier who is always out to exploit the Railways in favour of the general tax-payer. I cannot understand why you should heap inconvenience upon inconvenience on the passenger, disability upon disability on the crores of passengers who travel, merely to make a few crores of rupees of profit and make a present to them by contributing to the General revenues. I cannot also agree to the proposition to set up a Betterment fund. Our orthodox financiers are very capable men so far as giving new names and setting new precedents are concerned. Why do you want a Betterment Fund if betterment is inherent in the system itself ? What is the whole system for if not for the betterment of amenities for passengers ? I maintain that the Betterment Fund is a sort of subterfuge to avoid expenditure on improving the railway system. We have created the Betterment Fund this year, and we are paying 15 crores into it, with the result, of course, that the conveniences and the amenities to be provided for the passengers this year will be correspondingly reduced.

But what I say is that all the improvements that are to be carried out in the Railways should form a charge on the Railway revenues. It must be in the regular revenue account, because it is a concern in which you invest and then again you take more out of it. I am not very much enamoured of the so-called convention which lays down that a certain amount of money should be contributed by the Railways to the General revenues. I claim that whatever profit accrues from the working of the Railways should be spent on Railway improvement, on the provision of amenities, and so on. The position here is the same as in the case of the accumulation of sterling balances. Do you mean to say that 1,500 crores of rupees have been accumulated in England on account of the prosperity of the poor tax-payer in India ? They have been accumulated out of the sweat and blood of the toiling millions who have deprived themselves of many a comfort during the last five years. So also your accumulated profits, your contributions to the General revenues from Railways are the outcome of all the hardships which you have imposed upon the third class passengers and the other travelling public and the business community on account of the pressure of war.

Then, Sir, there is another suggestion made by the Honourable Member for Railways that rates and fares may have to be increased. Last year they tried to do it, and the country bestirred itself in time. In 1944 the Government of India

[Mr. M. Thirumala Row]

wanted to increase passenger fares by 12½ per cent., but they had to give up the idea in response to agitation in the country. I am not one of those who would support any further increase in rates which affect the ordinary man in the street. As it is, his cost of living has increased by leaps and bounds, and it is no use trying to extract something more from him.

I want you to improve the conditions of service of the railway employees. I want you to have closer control and check over the inexhaustible multiplication of the officer cadre and the expansion of the highly paid, top-heavy administration. I want you to improve the train services. I want you to give more passenger trains and see that amenities are provided for the large volume of passenger traffic. In spite of the end of the war the pressure on the trains has not appreciably decreased. On the other hand, it is going to increase. There must be co-ordination between the development of the railway system and the post-war development of industry, business and agriculture. Sir, the Government of India have planned for an all out expenditure of about 3,000 to 4,000 crores of rupees which is intended to improve agriculture, the educational system, and the industrial tempo and also to help to put more rupees, annas and pies into the pockets of the ordinary labourers. If you effect an all round improvement in the standard of living of the masses, then railway travel will automatically improve and the railway earnings are also bound to improve. Not only this. You must create an effective attraction for the higher classes all over the world and attract a tourist traffic that will pay very well. We have been advertising in all the important cities of America and Europe and we have to do that now with greater intensity provided you are prepared to lay out more money on this.

One remark with regard to locomotive construction. Sir, I do not want to trot out the same old arguments. I will draw attention to one little passage in the Humphries-Srinivasan Report which was issued as early as 1940. I was a member of the Standing Finance Committee which sanctioned the formation of these two gentlemen into a Committee to report on the manufacture of locomotives. They have made out a case that the manufacture of these locomotives could have been started even before the war because that would have been profitable. In the other House the Hon. Member for Railways said that the few locomotives that are planned to be built may come into existence either by the end of 1948 or in the beginning of 1949. Well, while the house is on fire, the water experts are called in to find out where water is or where wells can be dug. That is the leisurely way in which this particular item has been handled by the Railway Board and they deserve every censure. Sir, during the war, when every other industry in Canada and America has assumed war production, we have placed an order for 900 engines and about 18,000 wagons abroad. I will just quote one sentence from the Humphries-Srinivasan Report :—

"The present war has served to emphasize the opportunity that has arisen for the expansion of the locomotive industry in India. During this war, the financial prospects of the locomotive industry, based as they are on the economic advantage enjoyed by this country, are naturally brighter than in normal years".

The Railway Board has let slip such a good opportunity to start this industry, as the other Departments prevented the starting of the aircraft industry, the ship-building industry and the other heavy industries. When Canada, Australia and the United States of America could build up all these industries as subsidiary industries of their war effort, I do not see any reason why the Railway Board should have let go a great opportunity to bring this locomotive industry into existence during the war. The point was made that they will not get sufficient material. It has been pointed out here in this Report produced by two Government nominated members, that all the necessary engineering material is available in India. I can read that sentence for you :—

"All the steel work for the building, 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."

This Report is dated 12th January, 1940, and if action had been taken promptly, the railway workshops would have come into existence in 1942-43. The countries which were able to give ready made locomotives would have supplied you with machine tools also. This has been raised in another part of this Report. Therefore, I lay this charge to the people in charge of the management that the interests of the foreign industry, especially those of the British and Canadian industry, had more weight with them than the real interests of this country.

With regard to coal supply, last year I made a suggestion. The Government of India are having a general survey of power development in the country. The development in the Railways, the development of irrigation and the development of power should be on a co-ordinated basis. What has the Railway Board done in regard to exploring the possibilities of minimising the use of coal, which depends on the vagaries of the coal mines, and trying to electrify their system and depend on electricity ? I do not find a word about it here. I want the Railway Board to own its coal mines. They have paid nearly Rs. 10 crores for freight alone on coal. The cost of coal has gone up from Rs. 2 crores to Rs. 12 crores. I suggest that the Railway Board should own its own coal mines and work it as cheaply as possible.

I am afraid my time is getting short but I crave your indulgence, Sir. There is only one day allotted for the discussion of the whole Railway Budget and we are not given the privilege of voting on Demands for Grants. Therefore I crave your indulgence for a few more minutes, Sir, to conclude my speech.

THE HON. THE PRESIDENT : You have got four minutes more.

THE HON. MR. M. THIRUMALA ROW . My request is that a little more than four minutes may be given to me.

I suggest that this matter should be looked at as an all round proposition. There is no use giving us this window dressing of an expert business man. When it comes to the question of amenities of third class passengers, he says the coaches are being remodelled. I saw a coach which was being remodelled in 1939, and I saw another in the recent Exhibition in 1945. This will go for a number of years more. The whole thing is in an experimental stage. They have no idea. The point was raised at the meeting of the Advisory Council for Railways last year and I told them that they were tinkering with the problem. The Hon. Member for Railways agreed with that description of mine. The point is that you have no programme. The model which has to be brought into existence is still in a state of experiment. There is no use of showing the model to the third class passenger and asking him to be satisfied with that. You must treat the thing more seriously. I want you to consider this aspect of the case and see that definite improvements are brought about within the year 1946-47 and see that new coaches are put on the wheels. You have not set a target of putting some hundreds of new coaches on the rails.

Sir, the Railwaymen's Federation has been agitating not to retrench any of the workers. They have stood by you as much as the men in the field. Despite the strain and stress of the patriotic fervour of 1942, these people have desisted from joining the movement and have pulled you out of your difficulties. Once you are out of your difficulties it is not good for you to retrench them. I want you to send out people who are superannuated, who have reached the age of 55, compulsorily retire them and create opportunities for others. There is no use of keeping these people and blocking the way for others. Also reduce the hours of work according to the International Labour Convention, about which you are bringing legislation in the other House. Make the hours of work 48 a week. That will create more employment. I suggest that there should be no retrenchment anywhere.

In regard to Indianisation, after the two Indians, Sir Lakshmipati Misra and Mr. Zahid Hussain were sent away, there is an all-white Board. I hope for the day, in view of the constitutional changes that are being advertised so loudly by the powers that be from Whitehall, that there will not be any need for further criticism on this point by the time the next Budget is presented to us. I hope a completely Indianised Executive Council and an Indian Member for Railways, with the staff Indianised, will present the Budget next year and give us more concrete proposals for improvement in the condition of the railway system.

[Mr. M. Thirumala Row]

I have come almost to the last point. With regard to food, my Hon. friend has said a great deal about it. Nowadays food is the question which is on everybody's lips. Whether a man is comfortable enough to have five meals a day or one meal a day, everybody is talking about food. Every man knows the trouble. Every man who leaves Madras and travels for 2½ days to reach Delhi knows that the food problem is a very serious problem, whether he is an upper class or lower class passenger. Arrangements on most of the Railways are woeful. If you travel from Madras to Calcutta, the B. N. R. is one of the most callous railways with regard to food and I want the Railway Member to take note of the fact.

Last year you have carried nearly 93 crores of passengers on all the Railways. Taking the ration at 12 ounces per head per day, assuming all these passengers have travelled one day, their food requirement comes to 3,08,036 tons of grain. You know that food is not available in the homes ; it is not available in the market. All the hotels are flooded. In a place like Madras or the mofussil, a man who is not able to get off from his office and get his ration at the proper time, goes to a hotel, has his meals and goes to his office ; so also they go to railway refreshment rooms. People have to take recourse to railway refreshment rooms. I will tell you an incident which happened in Bezwada. During the recent cyclone when all the rice had been washed away, people inundated the railway refreshment room run by the M. & S. M. Railway for three days ; for every meal there were 2,000 people coming there for food. Under normal conditions I want you to pay greater attention to the catering on Railways and see that experienced contractors and caterers are not disturbed because war conditions have not ceased. Last year the Central Advisory Council has passed a resolution that such of these people who were giving satisfaction should not be disturbed. I know the favoured treatment which European contractors, Brandons, Spencers and Kellners, get. They pay a nominal rent of Rs. 10,000 to Rs. 12,000 for refreshment rooms, whereas for the same area I know Indian contractors pay more than a lakh of rupees for the same amenities. Therefore, Sir, I request you to bear these suggestions in mind—amenities of the third class passenger and the ordinary man in the street.

Lastly, Sir, I come to a local point. Last year I mentioned the question of the restoration of Cocanada-Kotapalli railway in which I am interested in my part of the country. You were consulting the Provincial Government. But the Provincial Government is woefully out of touch with public opinion. There is an Advisers' regime, which does not know what the people's wishes are. I do not know in what stage this is. I also requested that Cocanada should be brought on to the main line. It will conduce to the improvement of trade and communications, because it is going to be one of the important ports on the East Coast and it was used as a training centre for amphibian operations during the war. I suggest that the Railway Board should give consideration to all these points.

On the question of Advisory Committees, I have got a grouse against the B. N. Railway. Only one meeting of the B. N. Railway Advisory Committee was convened. Perhaps they found it too hot. They have not convened another meeting. In spite of my reminder, they have evaded convening even a second meeting. The Advisory Committee is the one possible means of liaison between the public and the Railways. They are trying to evade this. Let them be less bureaucratic and more responsive to public opinion.

THE HON. RAJA YUVERAJ DUTTA SINGH (United Provinces Central: Non-Muhammadan) : Sir, I do not find many striking features in the Railway Budget worth commenting ; and most of the points have already been touched upon, more or less, by previous speakers. And so I will not take up the time of the House by covering the same grounds over again.

With regard to the proposal of providing better amenities for lower class passengers, I note that a new design of passenger coaches are to be constructed, which will provide sleeping accommodation so far as possible, to inter and third class passengers, the number of lavatories is to be increased, the water supply is to be improved, so also the lights ; and fans are to be provided in inter class compartments. All this is no doubt pleasing features ; but when will these improvements actually be carried

out I do not know. There are some other points also which call for an early improvement with the approach of the hot weather, the question of an ample supply of cool and wholesome drinking water at railway stations, assumes an added importance. The position in this respect at comparatively small stations is, I regret to say, extremely unsatisfactory, and every effort should be made to ensure an adequate supply of this prime necessity of life to the passengers. This inevitably involves an increase in the number of watermen at the stations. At present, the waterman has to perform other duties also. The third class lavatories at railway stations are also kept in an insanitary and dirty condition. About overcrowding in the trains, the less said the better. No civilised Government would tolerate a state of things like this. This overcrowding is not confined only to third class or even to inter class passengers. Second class passengers have also to go packed up like sardines, and this calls for speedy remedy. More second class compartments must be provided. On the Lucknow-Bareilly section of the O. T. Railway, with which I am somewhat more familiar, only one first class, and only one second class compartments are provided, with the result which can better be imagined than described. I had put down a question on this subject; but the reply was as usual evasive and extremely unconvincing. There again sleeping accommodation for second class passengers at night must be provided for; but there are some Railway administrations which do not provide for this elementary amenity to second class passengers, who have to pay much more than lower class passengers. I will give only one instance. In the current time table of the B. B. & C. I. Railway, it is distinctly noted as follows:—

"Second class passengers will not be allowed sleeping accommodation by No. 1 Up and 2 Down Sind and Delhi Mails, 3 Up and 4 Down Delhi Express Trains, and 35 Up and 36 Down Agra-Kathgodam Fast Passenger Trains". This restriction is now meaningless, and ought to be removed at an early date. Every result of bungling and mismanagement is attributed to the war. But the war has done at least one good to our Railway. As admitted by the War Transport Member in his speech in the other House, "there is no question of course, that the Indian Government Railways have prospered financially in many ways as the result of the war", and that there has been "an increased volume of passenger and goods traffic, largely on account of war conditions". We are also told in the same speech that financially the position is far sounder than it has been at any stage in the history of the railways". So the plea of want of money should not stand in the way of carrying out necessary improvements in different directions in the railway system.

Sir, one word more, and I have done. Instead of announcing any decrease in fares, the War Transport Member has held out a threat in his Budget speech that "the need to increase rates and fares in the future may have to be seriously faced". This is an alarming portent, which will give rise to uneasy feelings in the country.

The service conditions of railway employees also call for substantial improvement; and I hope this matter will be taken in hand by the authorities concerned at an early date.

THE HON. MR. V. V. KALIKAR (Central Provinces: General): Sir, I know that the Railways had a tremendous task to perform during war days. I do not want to analyse the Budget figures but I propose to look at this Budget from a layman's point of view. During the war, the Railways have taxed the patience of the travelling public too much; and I thought that after the cessation of hostilities immediate measures would be taken to afford some relief to the travelling public. But I am surprised to find that nothing is coming out of all the plans and proposals for relieving the sufferings of the travelling public.

In India, public opinion has been for very long time in favour of completely Indianising the railways. I expected, Sir, that my Hon. friend the War Transport Member, who came to the Government of India from public life, would have taken steps at least to Indianise the key positions on the Indian railways but to our great surprise and sorrow we find that even there does not exist one Member who is an Indian on the Railway Board. A reference to this point was made by my Hon. friend Pandit Kunzru this morning and I am constrained to say that if the usual

[Mr. V. V. Kalikar]

argument is advanced that there are not suitable men for managing the administration of railways in India—I am constrained to state that if after 200 years of rule in India you have not been able to train men for managing Indian railways—then the fault lies with you. If there are really trained men and able men to manage the administration of railways then I submit you are making invidious distinctions even now when you know that in a very few days time the constitution is going to be changed and the administration is going to be handed over to the Indians. I could have appreciated this sort of attitude of eliminating Indians from key positions from a Member belonging to the so-called steel-frame but I am really surprised to find, Sir, that my Hon. friend Sir Edward Benthall who came here from public life in India, should not have had any regard whatsoever for the keen public opinion that exists on this point. I may ask him, Sir, how many Agents of the Railways in India are Indians. I find only one. Could he not during his tenure of three or four years find other Indians who can properly manage the administration of the Railways ? Could he not find capable Indians and could he not appoint them to those jobs ? I think, Sir, my Hon. friend must find out some argument to satisfy public opinion on this point. Sir, the Indianisation of the railway services has been the cause of grouse for a very long time. The Central Legislature has been discussing this matter a very long time and nothing appreciable has been done in this matter. I hope, Sir, that before he leaves the Railway Department he will take some steps so that this complaint will be removed.

Then, Sir, we find in his Budget speech and the papers that have been circulated to us that a fund is to be created called the Betterment Fund. I have already stated before the House in the beginning that I do not propose to examine it from a financier's point of view but the public is entitled to know what for are you creating that Betterment Fund and what amenities are you going to give to the travelling public from that Betterment Fund. If you are not giving any amenities to the travelling public from that Betterment Fund then as some of my friends say it is merely a book adjustment, it is merely the creation of another fund which will be of no use to the public—then I would submit that you had better not create that Betterment Fund.

Sir, much has been said about the necessity of providing amenities and comforts for third class passengers. I do not agitate for amenities. I know that third class passengers are not to get amenities for some years to come. I am only asking you to look to the necessities of the third class passengers. If you could not supply sufficient coaches or carriages during war-time ; if you could not supply sufficient engines and if you had to cut down the trains, the fault lies with the Government of India and not with the people. This Central Legislature has been agitating for the last 25 years to construct locomotives in India. Resolutions after Resolutions in this House as well as in the other House have been passed but for years together you tried to put off that question under some pretext or other and when the report referred to by my Hon. friend Mr. Thirumala Row was out you had no other alternative but to accept it because it was the report of your own experts but you then delayed implementing the recommendations of that report and now here is the sorry figure of so many engines to be imported from abroad ; so many wagons to be imported from abroad and during war-time you could not get engines and wagons and you put the travelling public to the greatest inconvenience. My only suggestion is that in regard to the annual normal requirement of 200 engines you must take early and immediate steps to manufacture the needed number of engines in India so that you should not have to depend for your requirements on other countries.

Sir, my Hon. friend Mr. Thirumala Row has stated the complaints of his Province. I think my Province is the most neglected Province so far as the railway post-war schemes are concerned. I know my Province is less noisy. I will not quarrel if you lay out more lines in other Provinces. But I want to impress on my Hon. friend Sir Edward Benthall that mine is an agricultural province, and in your post-war plans you must prepare schemes for my province which will provide for the laying out of new lines and thus enable the produce of the agriculturists to be brought

to the market. All these proposals are going to involve heavy expenditure. I am quite sure of it. But, Sir, I know that during the last three or four years you have had at your disposal a large amount, and instead of holding out a threat that the fares and freights will be increased, you must try to manage things without in any way offending public opinion in this matter. You tried your best to increase rates, but ultimately you had to submit to the public agitation which resulted from your proposal. The travelling public is taxed too much. They are paying more now than they were paying before the war, and if you or your successor brings forward any proposal to increase freights and fares, there will again be an agitation against it and you will have to submit to public opinion. I therefore submit that before taking up the proposal to increase freights and fares, you must first try to meet the demands of the travelling public.

You must give the third class passengers at least seating accommodation. Take the case of my Province. Between Nagpur and Bombay there are only two trains—one running from Nagpur up to Bhusawal, and another from Nagpur to Bombay. Before the war there were five trains between Nagpur and Bombay. People are huddled up like cattle in the carriages. You have to see that these necessities at least are met. I do not ask you to provide comforts or any extensive amenities. But I ask you in all earnestness and with all the emphasis that I can command: why don't you treat them as human beings? If you want to take money from them, if you want to run your railway administration not only as a commercial concern but as a public utility concern, you must at least take this matter into consideration.

I hope my Hon. friend Sir Edward Benthall, before he leaves office, will frame a scheme by which he will see that the Railway Administration is completely Indianised and the grievances of the public are remedied.

THE HON. MR. N. K. DAS: (Orissa: Non-Muhammadan): Sir, I believe the Hon. the War Transport Member does not stand in need of felicitations from our side on his performances in the past, for he has been congratulated well enough by G.H.Q. But his professions in the past and those for the future are so vague and indefinite that I am afraid one can hardly sympathise with him, far less congratulate him on that score. In spite of the fact that the war has ended and the abnormal pressure on railways has been very much relieved, the Railway Member would still leave the third class and inter class passengers to travel in the same crowded and insanitary compartments. There is no standardisation of fares even among the different railways which are under State control, and there is even the prospect of fares being increased. The freight charged for the transport of agricultural commodities and cloth and yarn and raw materials continues to be high. It is neither just nor defensible to inflate the Government of India's coffers at the cost of the poor agriculturist and industrial worker of the country. I myself think that the benefit of concessional freight rates should and must go to the agriculturist first and foremost in order that the country might prosper.

The Indianisation of the Railway Board and of the superior services in the Railways are matters on which no thought has been bestowed for the last two decades. Believe me when I tell you that all the best efforts of many public men of Orissa have utterly failed to remedy the callousness and systematic neglect of the B. N. Railway authorities in the matter of appointing a few eligible Oriyas in the superior services in that Railway.

Just another point I would like to make, and that is about the rail-road co-ordination scheme, about which the Chief Commissioner for Railways has chosen to be entirely silent. It has, however, been brought forward by the Hon. the War Transport Member in another place. Sir, when these plans were formulated and discussions were going on for almost two days, I thought that this scheme was really based on higher considerations, namely, that "All public utility concerns should be nationalised." But, Sir, the almost desperate and unwarranted hurry with which this scheme is being pushed through in many provinces in spite of very strong opposition savours very much of a suspicious design. The War Transport Member now seeks to take shelter in the name of "protecting the interests of the travelling

[Mr. N. K. Das]

public who urgently demand better services ". But he does not look to his primary and more urgent responsibility, namely, the amenities that should be provided to the lower class passengers in the Railways. We are told that rail-road co-ordination is a provincial subject. It should therefore be left to the provinces to formulate the scheme, as best as they can. Why should the Centre worry so much about it and heap on the provinces its recommendations, directions and warnings in season and out of season ? In the provinces, in my opinion, the method of approach has been very wrong. Negotiations do not succeed among parties who distrust one another. This has been unfortunately so in almost every province. The existing transport operators do not trust the Government, and *vice versa* ; and the result has been that no agreed scheme has so far materialised in any province. Why not leave things as they are until popular Provincial Governments have come into being ? What is the desperate hurry about putting forward these schemes here and now ? In my opinion the scheme should be left to be brought into being by popular Provincial Governments which will soon take office, which Governments, in their turn, will take their directions from the National Government at the Centre, the establishment of which is bound to come in a few months. I would like to sound a note of warning, in conclusion, that the Government will not be helping their schemes in any way, by hurrying through them. In order to popularise these schemes, they will have to wait until the National Government has been established, for then alone can public utility concerns be really nationalised in a proper form and spirit.

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS (East Bengal: Non-Muhammadan) : Mr. President, as many speakers before me have dealt at length with the subjects of public amenities, locomotive manufacture, supply of food to passengers, etc., I need not deal with these questions again. I will confine my speech to some railway projects in our part of the country, Eastern Bengal. I had no intention of participating in this debate had the Chief Commissioner of Railways while delivering his speech the other day, given an indication as to the fruition of schemes under the head " Post-War Development " and in the list of Survey Projects under Bengal Assam Railway. Sir, the Chief Commissioner of Railways knows very well that there is an agitation from the Pabna District as to the taking up of the project of Ishurdi-Pabna-Sadhuganj Railway. This survey, Sir, is being pressed by the Pabna District Board, the Pabna District Peoples' Association, the Pabna Municipality, the Panba Passengers' Association, the Government Storing Agent, the Pabna Civil Supply Syndicate, the Pabna Mahajan Samiti and others. There are also other schemes for the acquisition of River Steamer Services by the Railway Department. This matter was taken up by Mr. K. C. Neogy while moving a cut motion on the 23rd February 1945 on the floor of the Assembly. In reply, the Hon. the Railway Member gave an assurance that the matter will have his best attention. As regards the Dacca-Aricha Railway, that is also hanging fire for the last several years, and for the survey of this scheme, Government spent Rs. 2½ lakhs on survey but it was dropped on grounds of public health. But this objection does not exist now. At the instance of the Dacca District Board a malaria survey was made and a recommendation has been made to the Bengal Government for withdrawing this objection.

As to the linking up of the Ishurdi-Pabna-Sadhuganj Railway, I must submit, Sir, that in linking this up, there will be substantial benefit to the Railways as also to the civil public because it will develop trade and leave the Pabna people free of the higher prices which they have to pay for their necessaries of life as there is no service connecting these two places owing to the discontinuance of the regular steamer service with Pabna.

As to the purchase of steamer companies, there was a time when this question had to be dropped because Government had very little funds with which to purchase these private steamer companies. Now that the sterling balances are in our favour, the Railway Board can give effect to the assurance given by them on the 23rd February 1945 for the purchase by the State of these steamer companies.

As for the linking up of Dacca with Aricha, this will not only help passengers to reach Calcutta from any part of Eastern Bengal at least within eight hours,

but it will also give shorter access to the business people. I had intended to move a Resolution on the subject of the Ishurdi-Pabna-Sadhuganj Railway but as ill-luck would have it, I had no time to move it which was fixed for the day before yesterday. That is why I had to encroach upon the valuable time of the House and deal with this matter in connection with the Railway Budget.

THE HON. SIR ARTHUR GRIFFIN (Chief Commissioner of Railways): Sir, it is a little difficult to reply adequately to a debate such as the one we have had today, in which various speakers have spoken and a variety of subjects have been touched upon. I will do my best to deal with most of the points that have been raised. I hope I will be forgiven if by any chance I omit some but I will leave one for the Hon. the War Transport Member to speak on. I would first like to make a general survey of the comments as they have been made. The Budget, as a Budget, has not been attacked except to the extent that two Hon. Members considered that our general budgeting had been unsound or unusually conservative. In the past it was alleged that we have consistently under-estimated, and the Hon. Mr. Motilal stressed that we have done the same in respect of the year 1946-47. It is very difficult to estimate in the times that we have been passing through and in which we are still. During the war we were estimating on rising market, when it was almost impossible to tell where your figures of revenue would come to, and unfortunately equally difficult to estimate where your figures of expenditure would rise to. We are now on a falling market and it is equally difficult. We have experience to guide us. We have the revenue under the various heads as they are now. We have the individual Railways' estimation of what they consider will be their future receipts. All those are in front of us. But really they are not a very great deal more than what can be in front of anybody who studies the figues of the revenue of the various Railways. We have no magic procedure whereby we can arrive at our figures. I personally would prefer to see the Budget on the safe side; and if there are any errors, I personally would incline to say that we have perhaps been a little too optimistic in our revised estimates of the present financial year and we have perhaps played safe or soft-pedalled a little for the next year. I believe myself that is a wise and prudent thing to do.

My next comment is this. Several members have complained—in fact almost every member who has spoken has complained—that there are no proposals for reduction in rates and fares. Neither the Hon. the War Transport Member nor myself in our Budget speeches have said that we contemplate increases in rates and fares. We have drawn attention to the stark reality of the figures as they present themselves, and as they are presented to the Hon. Members in the Budget itself. There are the figures. We have estimated, as I have just said, as best as we can on our revenue side. On looking at the expenditure side, we find very few tendencies of our expenditure falling. If those symptoms, as we see them, turn out to be correct, then your margin is getting less and less; and what we have drawn attention to in the warning specifically given by the Hon. the War Transport Member is that, if those conditions persist, then inevitably one must look to see where the gap is going to be met. The gap can only be met in two ways. It may be met by increasing your revenue or decreasing your expenditure. Increasing your revenue inevitably means the raising of rates and fares, either or both; and decrease in expenditure is a very difficult thing to foresee at the moment. The first speaker, Sir Shantidas Askuran, said that we should call a halt to imposing burdens. But, Sir, we have imposed no burdens on rail transport. The only increase that was made was in 1940 when a 12½ per cent. increase was made in freight rates and a very small, 6¼ per cent., was made in fares; and be it noted, Sir, there are many exceptions to these increases. I would particularly draw attention to this, because the same speaker has alleged that it was owing to our high level of freight charges that the grain and the foodstuffs of the country did not move. The increase of 12½ per cent. was not imposed on foodstuffs, grains and manure. In regard to passengers the increase did not apply to the very low zone of the one rupee in which a very large number of people travel. The rates have not in any way affected the movement of foodstuffs. I will deal with the general question of movements of foodstuffs later on under another heading.

[Sir Arthur Griffin]

Now, to deal a little more particularly with the items. The Betterment Fund· I personally as a mere railway man look on that with considerable satisfaction. The railway man is just as anxious as the public that development and improvements and betterments should take place. The Hon. Mr. Thirumala Row was a little sceptical about the Betterment Fund, and he even went so far as to say that he thought it was a device to avoid betterments. It is I who have myself pressed for the Betterment Fund, because I believe it is the one thing which will help us and help the Railways to plan steadily and coherently in provision of betterments. There is a long history behind the Betterment Fund. There is no need for me to repeat it here. I think a complete statement is in the proceedings of the Standing Finance Committee which is in the hands of all Hon. Members. But it is sound and prudent finance to charge these betterments, which are neither revenue-producing nor expenditure-saving, to revenue as you go along ; but it is not easy to plan if you can only budget as you go along. It is difficult for all Railway Administrations to work with the years chopped off into financial years. They never know whether they are going to have their funds for the next year, and carry-forwards which are inevitable may upset the planning for the following year. It is for these reasons that we hope the Betterment Fund will prove a measure of considerable benefit to the Railways.

The Hon. Pandit Kunzru drew my attention—with approval of the Betterment Fund—but he drew particular attention to the necessity for systematic planning. That, Sir, is what we are aiming to do. We wish to have systematic planning. The quinquennial programmes which are now with the Railway Board, those are the programmes of each of the Railways, are under close scrutiny. But in order to ensure that there shall be coordination not only of types of work but between the various railways' activities, it is necessary to examine these proposals carefully and draw up a coherent and complete plan for all the Railways. We shall have in the Board's office under the Member, Engineering, a Planning Directorate, which will go into all these programmes and they will plan ahead, plan ahead not only merely for betterment but for modernising the whole of the systems. We do not want to return, as the Hon. Pandit Kunzru said, to the troubles of the 1930s. No, Sir. As a railway man again, and as one who has been General Manager, I have seen the consequences of not planning and in not being sure that your plans are on a firm foundation. That is why in my Budget speech I gave the warning that a little patience must be exercised before we go ahead into our bigger schemes, so as to make sure that they are sound not only financially but sound in every way for the good and the development of the country.

The next point I will deal with is loco. manufacture. Several questions have been asked and some accusations have been made. Mr. Thirumala Row read from the Locomotive Building Committee's Report, but he did not make clear that the writers of that report claimed that some only of the materials might have been available even during the war. That was their opinion at the very beginning of the war, because, after all, although the report was produced in 1940, it was under examination and preparation in 1939. Machine tools would not have been available from abroad. Steel was not available in the country. It was used for other things, and the machine tools which were in the country at that time had to be used for other purposes, and at that time more urgent purposes. We have now progressed. Singhbhum is now working. It is producing boilers, and by October this year they are to produce for us a plan and a lay out for developing into the complete building of locomotives. Their consulting engineers are in the country at the present moment. As regards Kanchrapara, we have the plans. We received them from the consulting engineers last year. They have been examined and officers have been put on special duty to draw up estimates and statements of all the machinery and plant that is required. Orders for some of the plant were placed some time ago and others are being placed now. But the Kanchrapara Workshop is required to overtake, as I said in my Budget speech, some of the arrears of maintenance, especially of locomotives. I hope—I sincerely hope—that the work that will

have to be done there will not interfere with the development of the workshops for the production of locomotives. I think and hope that these two processes will go forward simultaneously and that we shall not be held up.

The Honourable Pandit Kunzru asked what we are faced with in the way of renewals or replacements of locomotives. It is estimated, or has been estimated, that our requirements are approximately from next year onwards 200 locomotives a year, broad gauge and metre. That, of course, is on a time basis though you may go, of course, from time to time beyond that age limit. It is inevitable and there is nothing wrong with it from the point of view of efficiency. But on the time basis 200 is the annual requirement. Kanchrapara should, when it comes into being, produce 80 and Singhbhum could produce 50 and can be developed still further to produce more. We should be self-supporting. The Hon. Member asked if I would give a categorical assurance that once we have got locomotive manufacture completely established in the country we should not need to go overseas. It is difficult to look right into the future, but one hopes that that definitely will be so. I must qualify that however with just one comment. Our replacement of locomotives during the war years has been of the goods type, of the common utility type, that is the type that was urgently required. We still have a considerable number of passenger locomotives which are due replacement. Now the trouble there is that we are really only feeling our way at the moment technically as to the type that we really will have to have. It is affected by very many considerations. One consideration is the type of traffic—air traffic will posssibly take away from Railways a certain portion of its upper class travel. What is to be our speed for the future? What is to be our general composition of, say, mail or heavy express passenger trains? Coupled with that, what coal shall we be able to obtain? We are told that metallurgical or coking coal must be reserved for metallurgical purposes. If that be so, what are the Railways to be given to burn? On that depends the design of your locomotives. So, if we are to have a type which will be satisfactory in the future, and which will meet our demands, then we shall probably for the first few have to go overseas for them to be supplied, for one thing, in order that we may have a prototype which can be tested and also that we take advantage of the experience of manufacturers who have been building such engines for years. Having got the prototype we shall later copy it in India. That will not interfere in any way with the locomotive production in India. There will be sufficient work for the industry, as we conceive it, in building approved and tested types of locomotives.

THE HON. PANDIT HIRDAY NATH KUNZRU: I should like to ask one question about locomotives. I wanted to know what was the total number of locomotives which would have to be scrapped according to the War Transport Member. He said 29 per cent. of the engines were over-age. Will they be scrapped now at the rate of 200 a year or will all of them be scrapped, say, in the next three or four or five years?

THE HON. SIR ARTHUR GRIFFIN: No, Sir. Scrapping is only connected with age—over-age does not necessarily imply scrapping. The mere fact that an engine has reached its age of 35 years—35 years we take as the age of a locomotive; it is based on two boiler lives—the mere fact that a locomotive reaches the age of 35 does not mean for one moment that that engine will then be scrapped. It may be necessary to scrap it for two reasons. One might be that it is inefficient and obsolescent and the other that it has worn out; but there are engines at the present moment, Sir, which have been repaired near the age of 35 and will go on for some years afterwards.

THE HON. PANDIT HIRDAY NATH KUNZRU: Will engines be of all types, both heavy and light or only light?

THE HON. SIR ARTHUR GRIFFIN: They will be of several types, to suit the types of traffic.

THE HON. PANDIT HIRDAY NATH KUNZRU: Are heavy engines going to be manufactured?

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THE HON. SIR ARTHUR GRIFFIN: According to our present programme for building locomotives in the Singhbhum Workshops we expect that they will first be put on to building the standard type of metre gauge locomotive, which is an approved and accepted type of which we have all the working drawings.

As regards wagons, Sir, the wagon industry in the country can quite well compete with all our requirements. The Hon. Mr. Dalal this morning said that the wagon manufacturers ought to be congratulated for what they have done. I would associate myself with that but at the same time they could not have taken on any more as they were working to their maximum output. It was absolutely impossible to avoid placing orders overseas. He asked why it was that we did not cancel the orders overseas. As I have said in my Budget speech, those which were provided under Lease-Lend were cancelled. The reason for that was that there were no compensatory charges to be paid by us. Others were in such a full state of production that we would very nearly have had to pay the value of the wagons by way of compensation. Moreover, the wagons were very urgently required and as a matter of fact still are urgently required. So, although at the time we were playing and toying with the idea of cancelling the orders, I think the events have shown that we were probably wise in not doing so.

In respect of coaching stock the Hon. Mr. Thirumala Row complained rather bitterly that we had not placed orders for coaching stock in the same way as we had placed orders for locomotives and wagons. It was quite impossible. Certainly no Allied country would have supplied. All demands for locomotives and wagons were placed by us on the Allied nations—not on individual firms—so that the best of their productive capacity could be utilised. They would have looked askance if we had asked for carriages and they would not have supplied them; and there was no capacity available in this country either. In fact underframes we had to get made overseas. Those underframes are now just coming into the country. The programme we have in view involves the construction of about 800 coaches a year. It is a big programme but it is not, I hope, beyond our combined capacity in the country—that is the capacity of the Railways and of the indigenous manufacturers. We shall have to place orders outside because the full programme will be beyond the capacity of the railway workshops on their own.

I now come, Sir, to a very important point. The Hon. Pandit Kunzru asked if I would state what the position is in respect of railway labour and of our relations with the Railway Federation. Our relations generally with the Federation have been excellent in the past. We have had many meetings; and when I say that they have been conducted with good manners on each side and with a due appreciation of each other's point of view, it is a tribute to the members of the Federation. Now, at the last meeting the Federation had with the Railway Board, they had three points. Those three points were: retrenchment, scales of pay, and dearness allowance. As regards retrenchment, Hon. Members, I think, know fully what the position is now. Railways have no desire whatever to retrench men, and they will do all they can to make sure that no man is put out provided fruitful and proper work can be found for him. We hope that with the plans of development as they come on and with the quantum of traffic which is moving—it is as high as ever at the present moment—it will not be necessary for these men—except relatively a few of them perhaps—to be retrenched. But we are, after all, custodians of the public purse as well as large employers of labour, and there cannot be charity entering into it to keep people doing nothing; besides, the demoralising effect that that would have on the rest of the staff cannot be ignored. So much for retrenchment for the moment.

As regards the scales of pay, as Hon. Members are aware, it has already been announced that Government is setting up at once a Commission to go into the whole question of the scales of pay of Government servants, and they will take into consideration the question of the railway scales together with the others. But the Railway Board has for some long time been working on the structure of the pay scales. The structure is extremely complicated; indeed, it is almost chaotic, owing to the large number of Railways, their varying pay scales, and the considerable variation there has

been in respect of the company lines. Although one cannot expect complete uniformity over a continent, we do hope for a greater measure of uniformity, and we certainly hope for a considerable degree of simplicity. We have been busy with that examination for some time, and we have mentioned it to the Federation. At their last meeting with us some of the points and difficulties with which we were faced were mentioned to them. Tentatively they gave their views, but they expressly said they were only their tentative views. We want to get on with this revision of the structure because we feel that it will be essential to help the Commission, when they start their work, in the fixation of the pay scales. We asked the Federation to meet us again when we hoped to discuss more finally some of these rather intricate points which are involved in the pay structure. They failed to turn up. They claimed that the memorandum which was sent to them did not carry them very much further, and they drew attention to their previous demands.

Now, their demands, Sir, these were given at the meeting that they had in Mogha l Serai last November.

THE HON. PANDIT HIRDAY NATH KUNZRU : Did they not discuss those demands with you ?

THE HON. SIR ARTHUR GRIFFIN : Not specifically. Their demands—at least their ideas of their demands—were that they would have a scale for unskilled, a scale for semi-skilled and one for skilled staff, and ministerial. They stated the scales as they thought they should be. In addition , they asked that there should be a flat rate of Rs. 45 per month dearness allowance. That, although it was not specifically mentioned, was presumably inclusive of the relief in kind which is now given.

Now, the results of those proposals would be that although we are at the present moment paying Rs. 14 crores a year in dearness allowance and Rs.13 crores a year in relief in kind, which is equivalent to 21 per cent. of our ordinary working expenses, this total amount of allowances would rise from Rs. 27 to Rs. 48 crores. In other words, the dearness allowance as they proposed, would mean a further expenditure of Rs. 21 crores a year. As regards their proposals for pay, these are rough calculations only, but that would be equivalent to another Rs. 57 crores a year. The total of the two would be Rs. 78 crores a year more. Well, I think those figures have only to be stated to remove the proposals or anything like them from even the realms of possibility. Assuming they were to come into force next year, you have got a 12 crore surplus estimated in 1946-47, and you would convert that into a 66 crore deficit. On our anticipated passenger and goods earnings, we should have to look for a 40 per cent. increase in rates and fares.

THE HON. PANDIT HIRDAY NATH KUNZRU : Did the Federation actually send those proposals to you ?

THE HON. SIR ARTHUR GRIFFIN : Yes, Sir.

Now, Sir, another very important point is this. They have frequently stated that there would be no retrenchment and that things would be a great deal better if the 16 points which they had put forward were adopted by the Railways. As this is important, if it does not tire the House, I would very briefly mention the 16 points. The first related to the reduction in hours of work. The proposed reduction in hours of work is an amendment to the Factories Act to 48 hours. We are already, on most Railways, working below that, and we have under consideration investigation of the hours of employment rules generally so as to give some measure of relief.

Their second point was a weekly calendar day's rest for all railwaymen. Seventy per cent. of continuous workers already enjoy a calendar day's weekly rest, and the provision of a weekly rest for all, instead of the 24 consecutive hours which we give in some cases, is under investigation. But, Sir, I cannot believe that it would be suggested that a full calendar day's rest is necessary for every single railway worker. Many of the branch lines possibly have one or two trains a day ; the work for most of the day is negligible. There is perhaps an hour and a half's work for a day. I do not believe myself that one could justify a complete day's rest for all of these men When you also consider the provision of relieving staff—because the railway must

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still work, trains must still run on Sundays and on any other day—the provision of relieving staff to move over the whole railway system, relieving people to give them their day's rest—when you consider all this, you will agree that it is a very difficult proposition.

The next point is that the leave reserve should be increased to 25 per cent. That is being examined as a long term policy. But there again there are very many difficulties. But we have told all Railways that if it will help in absorbing staff, they need not take account of any limitations imposed by their leave reserve. Their next point was the reduction of rail lengths for engineering purposes, that is, the length that a gangman or gang may look after. That will probably help in no way as most of the Railways at the present moment are deficient in their gang strengths, some very badly deficient. Leave facilities for daily rated staff and workshop staff was their next point. These have already been liberalised. Their next point was that contract work should be done departmentally. There are limits, as I am perfectly sure Hon. Members will agree, to the extent to which you can adopt that, although there again we have told Railways to go as far as they can if it will help in absorption. Expansion of workshop capacity was mentioned in four of their so-called points. The workshops are up to their eyes in work and will, I estimate, be in that position for the next year or so. Reopening of dismantled lines is another claim. That is already under investigation and the work will be taken in hand as soon as possible. Another point concerns quarters for railway staff and I cannot see that that will be of any assistance, because, I am sure that existing service staff cannot actually do all the building construction. Development of rail motor transport was mentioned. So far as that is possible, the Rail-road Company will absorb existing workers, but not necessarily railway workers. Finally, they claimed that, workshops which are doing work for outsiders like the R. A. F. should continue for other similar purposes. That, I think, is quite unacceptable.

Those, Sir, are the 16 points. We are told that had they been adopted by the Railways, we would have saved all the trouble in regard to retrenchment. That is the position so far as labour is concerned. We have the question of dearness allowance always under observation. But, since the revision of dearness allowance last year there has been no change in the cost of living. As regards a revised scale of wages, it is impracticable at this stage to devise a completely new scale and we do not know the basis on which we could do so. Those are their claims. I do not think that anybody can justly say that negotiations have, so to speak, broken down, or that we are to blame.

Several Hon. Members have mentioned the question of food supplies and have asked for a definite assurance that movement of grain in case of shortage will be carried out by the Railways. I think that we can claim justly that the whole of the programmed movements in the past have been carried out without exception and I do not anticipate that there will be any difficulty in the future. High priority is given to the movement of all such things.

It was said this morning that the Bengal famine was accentuated by the lack of rail transport. That, Sir, is quite incorrect. If the Woodhead Report is read, it will be found that there is not one criticism of railway transport or of the railway position. Even during the period when the East Indian Railway was severely affected by the Damodar floods, it was a great tribute to the Railways concerned that every thing was carried into Calcutta and into Bengal. Not one criticism was made of shortage of rail transport. Unless causes beyond our control intervene, I am convinced that all the efforts which are being made to avert any famine will be fully assisted by the Railways.

As regards third class travel, one expects these criticisms and one appreciates them. It is difficult to know really what more we can do, or could have been done, than what we have done. The coaching stock which is still in use by the Army must stay there until their repatriation and until their demobilisation and other movements are more complete than they are at the moment.

THE HON. MR. M. THIRUMALA ROW: What is the number of passenger coaches still with the Army ?

THE HON. SIR ARTHUR GRIFFIN: Approximately I think it is about 1,290 broad gauge and about 400 metre gauge. It is about that. If those coaches come back and if the military movements still have to continue, what should we be up against ? We should be up against the whole of the civilian service being besieged by the army moving, and I think that will be even more objectionable than their travelling distinct in their own mails and their own military specials. We will press to get stock back as quickly as we possibly can and we shall press on as fast as we can with putting bodies on to these underframes as soon as they arrive. Provided supply of materials does not interfere, that work shall go forward as fast as we can possibly make it. We are distributing these underframes among the various Railways so that we can absorb the very maximum building capacity. It does not necessarily mean that wagons built on one Railway will be kept by that Railway.

As to cleanliness, there has been a campaign—I have seen it in force myself—in many places and I am sure the Railways are doing their utmost to improve the position. I believe, from independent evidence that I have had, that the position has improved a very great deal.

Lighting is improving and the stocks of bulbs as they are coming forward now should mean there will be a considerable improvement in the relatively near future

The programme that we have in front of us for rehabilitation and betterment involves, as I quoted in my Budget speech, considerable sums for improvement of amenities to the public,—not only to the passengers but to the public generally. They are tabulated in the Explanatory Memorandum. When those are taken in hand, I hope that perhaps some of the annual criticisms that we get on this account will disappear.

The question was raised by the Hon. Mr. Motilal—and I think one other Hon. Member—that the Military have not paid sufficiently for the use of the railway services, and it was also claimed—I think by the Hon. Mr. Dalal—that when the coaching stock comes back from the Military, we should charge them the repair charges. That, I think, would be altogether little unfair. After all, although these coaches are being used by the Military, they are paying full contract rates for them. The army rates for movement are most of them on a contract basis, which was fixed some years ago, and from the other side it has been alleged at times that we are over charging our biggest customer, the Army. As regards a considerable number of the movements such as ammunition, full public rates are charged. So when the stock comes back, I do not think you can expect them to pay for the normal repairs. But when they have been converted for their own particular purposes, then they have paid for the conversion and they have to pay for the reconversion.

I was asked why it was—I think it was the Honourable Mr. Chowdhury—why it was that the B. N. Railway charges different fares for mail trains. That is a practice which is not uncommon on the Railways. It is intended of course to relieve the pressure on the important mail trains for long distance traffic. The same effect is produced by having mileage distance limits. Actually I hope that in the future any such differentiation in charges will disappear. But there may of course have to be differentiation from the point of view of distance.

Vending contracts were dealt with eloquently by Mr. Muhammad Husain. The one point that I would like to mention is his complaint that we should not call for tenders for vending of ordinary articles other than food at stations, as he claimed that as a result of the price that is paid by the vendors the prices of the articles are excessive and a long way above the ordinary market price. That may or may not be so. We have this question under examination now and I hope that that particular complaint may be removed in future. As regards catering generally which has been mentioned, I think the subject is coming up for the Central Advisory Council where it can be considered in all its bearings.

It has been represented that we have not improved train services. We have put back a considerable number, but that is up to our limit. Until the coaching stock

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comes back or can be produced, we are short of stock. At the present moment the supply of coal is a particular anxiety—not only the quantity of the coal but the quality of it—and that is interfering and will interfere, I am afraid, with getting back to our normal fast services. Mr. Thirumala Row suggested that we should cultivate tourist traffic. A Committee has been sitting under Sir John Sargent and they have made a report and that is now being examined. Just at the moment I do not think there will be any point in attempting any propaganda or advertisement for tourist traffic from overseas. Nor at the present moment would I accept as desirable any suggestion that we should try to stir up tourist traffic in the country. We are up against the problem of overcrowding and I do not want —in fact I prefer to discourage —tourist traffic for some little time to come. But the ground has been prepared. He has mentioned the Cocanada-Kotapalli line and Cocanada connexion and I can assure him that I was not quite satisfied myself with the replies that I received and I have asked that they should be brought under investigation again.

The last speaker asked about the Ishurdi-Pabna Railway. I thought that that was to be the subject of a Resolution, but I gather that it has lapsed. If you will give me one moment, Sir, I will reply as briefly as I can to that request. That line has been examined four times from 1928 onwards. Each time it has been turned down as definitely unremunerative. The Sub-Committee of the Bengal Government to go into the question of post-war planning did not recommend that that line should be built. In the course of our negotiations and discussions with the Bengal Government we raised the question of this line and the Bengal Government were not in favour of it, and they produced a reason which for me is a very important one. They said that the construction of this line might have a serious effect on the general health of the countryside. The type of country is difficult. Several times in the year it broadens into one complete lake. The bank of that railway would be, I think, about 20 to 24 feet high and it might result in considerable water-logging of the country. I should not like the Railway Administration of the future to be blamed, or may be to have compensation claims against it, for a reduction in the general level of health of the countryside. I do not put the line aside from the point of view of its being unremunerative. Our conception of the construction of the lines in future is that the remunerative ones will come first. That after all seems common sense, because if a line is remunerative, presumably there is a public need for it. But we do not bar the unremunerative or the immediately unremunerative line and many of our proposals include items which would come within that category. But I cannot hold out any hope for the construction of the Ishurdi-Pabna line. If the Hon. Member could convince the Bengal Government that they are wrong and they come to us, I should not mind having the case being re-opened when we have time.

FLIGHT-LIEUTENANT THE HON. RUP CHAND: May I know why there is no Indian Member on the Railway Board?

THE HON. SIR EDWARD BENTHALL (War Transport Member): Sir, I must apologise for not having been able to be present throughout the whole of the debate owing to my duties in another place. But after listening to the masterly thoroughness and ability with which the Chief Commissioner has dealt with all the points which were raised, I can assure you that you have not missed anything. I propose therefore to deal with only one point, the point of Indianisation. I would like to begin by saying that had this House been meeting last year, in July, August and September, it would have been addressed on railway matters by the first Indian Commissioner ever to hold the post, Sir Lakshmipathi Misra. That officer was—I think I am correct in saying—the first Indian officer ever to have been appointed as a permanent occupant of the post of Member, Engineering, and he subsequently rose to a post which has also never been held by an Indian, the Chief Commissionership. It is true that at the moment the Board is entirely European. But that is an accident of the moment, for had Sir Lakshmipathi Misra not retired, he would still be saving as Member, Engineering. Similarly, we had an Indian Financial Commissioner up till fairly recently, when he took a post in an Indian State and left us; and it so happened that the next senior financial officer who could be made

available was an European. During the course of the year also we have had an Indian gentleman as Staff Member of the Board and the Secretary of the Board is also an Indian and so I maintain that during the recent regime there has been a degree of Indianisation which has never existed before, in spite of the fact that at this precise moment that tendency has been, purely temporarily, entirely reversed and the Board is entirely European.

Now, Sir, this does not go by way of favouritism to Europeans. I can assure the House that it has been my desire always to help Indians where I possibly can but I cannot do that while doing an injustice to Europeans. Now, Sir, I have said before, I think in this House and certainly in other places, that the difficulty of Indianisation in the higher grades is primarily due to historical circumstances and today I have brought along some figures which illustrate what I mean. In the year 1924—which is the earliest year for which I have figures here—there were 1,888 officers of whom 1,510 or 80 per. cent were Europeans. On the 31st of March last there were 1,784 officers of whom 586 or 32 per cent. only are Europeans. If you went back further to about the time when my Hon. friend Sir Arthur Griffin came out to India, to say, 10 years before 1924, you would in all probability have found that not 80 per cent. but probably very nearly 100 per cent. of the officers in those days were, for historical reasons, Europeans. Now, Sir, all those officers who joined 25 or 30 years ago have now reached the top of the tree and it so happens that for the reasons which I have given the majority of them are Europeans and there are relatively few Indians. We are, therefore, faced with the position where out of every ten senior officers probably nine are Europeans, and, provided their ability is equal to their seniority they naturally qualify for the posts and it would be an injustice to turn them down. But, Sir, from the figures I have given Hon. Members will observe that the process of Indianisation is going on pretty rapidly and that though it has been somewhat retarded owing to the fact that a number of European officers have stayed on to help through with the war it is probable that the figures for the future will show a very steep further decline. Many of these European officers who stayed on during the war are only too anxious to go and in order to accommodate them we have lifted the ban on their taking leave preparatory to retirement from the 1st of April this year. On the Madras and Southern Mahratta and the South Indian Railways there are 25 or thereabouts officers leaving on the taking over of their railways by the State and I think it is more than probable that about a year from now onwards the figures will be well down to about 400 or somewhere in the neighbourhood of 20 per cent. of the total number of officers and, of course, in view of the fact that we have taken on practically no officers—there has been very little recruitment of European officers since 1934 and none at all since the war—they are gradually fading out altogether and European railway officers will become extinct in this country. Sir, that is the position. I cannot help feeling that many Hon. friends who cry for Indianisation do in their hearts nevertheless appreciate the good work that these men have done for this country and I would go further. I can quite imagine my Hon. friends when they come to sit on these Benches saying to themselves: "Yes, you remember when we were sitting on those Benches we did not like European officers. We frequently asked them to go but perhaps after all they were not such bad chaps. You remember that fellow Griffin—I wish he were here now—he did quite a good job of work." That, I think, Sir, will be the verdict of many Hon. Members who now are asking for a more rapid Indianisation of the railways.

THE HON. THE PRESIDENT: Honourable Members, I would like to take this opportunity of associating myself on behalf of the Council with all that has been said by the Hon. the War Transport Member this afternoon with regard to the services rendered by the Hon. Sir Arthur Griffin to India. His speech this afternoon was a most illuminating speech—not only illuminating but I think as was rightly stated by the Hon. the War Transport Member a masterly performance—and as this will perhaps be the last occasion when he has addressed this Council, I express the thanks of the Council for the great services he has rendered. We hope he will enjoy his well-earned rest after his laborious work on the Railway Board, where he has spent a good many years of his life. We wish him farewell and godspeed.

The Council then adjourned till Eleven of the Clock on Wednesday, the 27th February, 1946.

COUNCIL OF STATE

Wednesday, 27th February, 1946

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

MEMBER SWORN:

The Hon. Mr. Y. N. Sukthankar (Nominated Official).

QUESTIONS AND ANSWERS

United Maritime Authority.

61. The Hon. Raja YUVERAJ DUTTA SINGH: (*a*) Will Government state whether India has joined the United Maritime Authority, which imposes on her the obligation to submit her shipping to international control for at least six months after the termination of the war?

(*b*) What is the present position in this regard? What are the objects of this Authority and what advantage will accrue to India by her joining this Institution.

The Hon. Mr. Y. N. SUKTHANKAR: *Part* (*a*)—Yes. The co-ordinated control of Merchant Shipping however applies to all the countries who have acceded to the Agreement and not only to India. *Part* (*b*)—Government of India understand that the Agreement under which United Maritime Authority was set up is due to terminate on 2nd March 1946. As the total Indian shipping is too small to cater for a substantial portion of India's requirements, arrangements under which provision of shipping became a common responsibility of the United Nations who control ships are to her advantage.

Post-war occupation of Japan

62. The Hon. Raja YUVERAJ DUTTA SINGH: In accordance with the report of the Institute of Pacific Relations at Hot Springs, Virginia, that all nations actively fighting against Japan should be represented in the post-war occupation of that country? Will Government state whether India also will be allowed to participate in the post-war occupation of Japanese territory? Do Government propose to press the claims of India and ascertain the plan of His Majesty's Government in this respect?

His Excellency the COMMANDER-IN-CHIEF: The Commonwealth Force for the occupation of Japan contains units of the three Indian services. For further details I would invite the attention of the Hon. Member to the Press Note on the subject which was issued on the 31st of last month, and a copy of which has been placed in the Library of the House.

Pre-war occupation of Germany

63. The Hon. Raja YUVERAJ DUTTA SINGH: (*a*) Will Government state why Indian troops have not been given a zone of occupation in conquered Germany in recognition of their valour displayed in the war?

(*b*) In view of the splendid tribute paid to the Indian troops by H. E. the Commander-in-Chief, in the course of a Press interview on the 16th June, why did not Government press the claims of Indian troops in this respect?

(*c*) Are Government aware that Indian troops are eager to proceed to Europe and further to distinguish themselves by occupying a portion of Germany which may be assigned to them ?

(*d*) Are Government aware that even the Negro troops in the Army of the U. S. A. form about 10·4 per cent. of the total United States Army of Occupation troops in Germany ?

(*e*) Do Government propose even now to press the claims of the Indian troops to occupy a zone in the conquered territory of Germany, along with the Allied Armies of occupation ? If not, why not ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (*a*) and (*b*). The composition of the forces employed for the occupation of enemy territories has been decided in consultation between the various Governments concerned. Indian troops are in temporary occupation of those enemy territories (including Japan) which are closest to the areas in which the main body of the Indian Army was operating at the end of the war. There is an Indian Military Mission in Berlin.

(*c*) No, Sir.

(*d*) This may be a fact but Government have no information.

(*e*) No, Sir, because it does not seem necessary.

TRIAL OF INDIAN NATIONAL ARMY PERSONNEL

64. THE HON. RAJA YUVERAJ DUTTA SINGH: Will Government lay on the table a statement showing separately up to date :—

(*a*) The number and names of personnel of the I. N. A., who have been tried in India giving the dates on which they were convicted or acquitted, the names of the personnel constituting the courts and the places where the trials took place, together with the sentences passed on the accused and the offences for which they were convicted, and the opportunity given to them for defence ?

(*b*) The number and names of the Indian civilians in Malaya, Burma and other places out of British India, giving the particulars mentioned in (*a*) above ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (*a*) I lay two statements on the table.

(*b*) No such civilians have been tried.

STATEMENT A—COURTS MARTIAL

Serial No.	Name	Place and dates of trial	Charges on which convicted	Final result of trial	Defending Officer
1	2	3	4	5	6
1	9940 Hav. Mela Singh, 15 Punjab Regt.	Summary General Court Martial, Delhi, 8th—12th June 1944.	Desertion . . .	Transportation for life, reduction to the ranks and dismissal.	Major R. C. L. Bright, 19 Hyd'bd. R. Barrister-at-Law.
2	18662 Sepoy Chatter Singh, 5/8 Punjab Regt.	Summary General Court Martial, Delhi, 14th June 1944.	Waging war against the King.	Death by being hanged.	Lt. L. C. Green SEA TIC (Solicitor).
3	9896 Sepoy Nazir Singh, 8 Burma Rifles.	Summary General Court Martial, Delhi, 15th June 1944.	Waging war against the King.	Death by being hanged .	Lt. L. C. Green, SEA TIC (Solicitor).
4	10670 Hav. (C. M. H.) Onkar Chand, 2/12 F.F.R.	Summary General Court Martial, Delhi, 20th June 1944.	Waging war against the King.	Transportation for life .	Capt. H. B. C. Horrall, G. S. Branch GHQ(I) Bar-at-Law.
5	7804 Hav. Hoshiar Singh, 2/17 Dogra Regt.	Ditto . . .	Ditto . .	Ditto . .	Ditto.
6	6775 Hav. Durga Mal 2/1 Gurkha Rifles.	Summary General Court Martial, Delhi, 5th July 1944.	Waging war against the King.	Death by being hanged .	Capt. E. W. Seir, RIASC (Solicitor).
7	15217 Sepoy (L/Nk.) Kartar Singh, 1/11 Sikh Regt.	Summary General Court Martial, Nowshera, 17th July 1944.	1. Desertion . . 2. Waging war against the King.	Transportation for life and dismissal.	Capt. B. W. Fidgeon, 11 Sikh Regt.
8	16183 Sepoy Sajjan Singh, 1/11 Sikh Regt.	Summary General Court Martial, Nowshera, 19th July 1944.	1. Desertion . . 2. Waging war against the King.	Transportation for life and dismissal.	Ditto.
9	15718 Sepoy Gurdial Singh, 1/11 Sikh Regt.	Summary General Court Martial, Nowshera, 19th July 1944.	1. Desertion . . 2. Waging war against the King.	Transportation for life and dismissal.	Lt. G. K. Qamtirthakar, 11 Sikh Regtl. Centre.
10	1803 Sepoy Padam Bahadur, Mvitk-vina Bn., Burma Frontier Force.	Summary General Court Martial, Delhi, 23rd August 1944.	Waging war against the King.	Transportation for life and dismissal.	Lt. L. C. Green, Intell. Corps att. R.I.D. (Solicitor).
11	10648 Sepoy (P/L/NK) Hazara Singh, 5/2 Punjab Regt.	Summary General Court Martial, Delhi, 25th August 1944.	Waging war against the King.	Death by being hanged .	Lt. S. A. Hosain, RIASC, 'B' M. T. Trg. Group.
12	MT 503961 Fitter (Class II) Sardar Singh, IAOC, att. 4/17 Gurkha Rifles.	Summary General Court Martial, Calcutta, 6th October 1944.	Waging war against the King. (2 Counts).	Ditto . .	Capt. M. S. Haqqani, I.A.O.C. 220 I. A. O. D. pleader with right of audience in Sessions Court.

1	2	3	4	5	6
13	H 1733 Hav. Clerk (Class I) Lachman Singh, I.A.M.C. att. 4/7 Gurkha Rifles.	Summary General Court Martial, Calcutta, 6th October 1944.	Concealing the existence of a design to wage war against the King.	R. I. for 7 years and dismissal.	Lt. J. R. Colchester, RAOC Port Ordnance, Calcutta, Bar-at-Law.
14	8454 Sepoy Fakir Singh, 1/15 Punjab Regt. att. 4/7 Gurkha Rifles.	Summary General Court Martial, Calcutta, 10th October 1944.	Waging war against the King.	Transportation for life and dismissal.	Lt. J. R. Colchestor, R.A.O.C. Port Ord. Calcutta, Bar-at-Law, B.A. (Cantab.) Law.
15	28896 I. O. Jem. Keshri Chand Sharma, RIASC.	General Court Martial, Delhi, 12th and 13th December 1944.	Waging war against the King.	Death by being hanged .	Capt. H. B. C. Horrell, Bar-at-Law.
16	6120 Jem. Dalbahadur Thapa, 2/1st Gurkha Rifles.	General Court Martial, Delhi, 12th February 1945.	Waging war against the King.	Ditto . .	Lt. Idris Ahmad, I.A.O.C., Pleader.
17	3416 Jem. B. C. Gowd, 1st Bn., Mysore Inf.	General Court Martial, Delhi, 16th February 1945.	Waging war against the King.	Transportation for life and dismissal.	Capt. B. S. Wadhawan, 39 Ind. Field Censor Unit, who has passed the Prosecuting Inspector's Examination in Higher Criminal Law at the Police Training School, Phillaur. (I. S. F. Case).
18	16616 I.O. Jem. Nikka Ram, 5/2, Punjab Regt.	General Court Martial, Delhi, 11th January 1945.	Waging war against the King.	Transportation for life and dismissal.	Lt. G. W. Hill, R.A.P.C. Solicitor of the Supreme Court.
19	11865 Hav. Shiv Charan Singh, 5/2, Punjab Regt.	Summary General Court Martial, Delhi, 28th April 1945.	Waging war against the King.	Transportation for life and dismissal.	Capt. J. C. Hay, Royal Sigs. GHQ (I.) Sigs. Solicitor.
20	11658 Hav. Chambel Singh, 5/2, Punjab Regt.	Summary General Court Martial, Delhi, 5th May 1945.	Waging war against the King.	Transportation for life and dismissal.	Capt. M. Y. Chaudri, 8th Punjab Regt. Advocate, S. C. (Legal) Delhi District.
21	10376 L/Nk. Charn Singh, 8 Burma Rifles.	Summary General Court Martial, Multan, 6th July 1943.	1. Desertion . . 2. Waging war against the King.	Death by being hanged.	Major P. H. M. Galbraith, 1st Burma Regt.
22	8771 Naik Nagindar Singh, 8th (F.F.) Bn. Burma Rifles.	Summary General Court Martial, Multan, 3rd July 1943.	1. Desertion . . 2. Desertion.	Death by being hanged .	Ditto.
23	15657 Sepoy (L/Nk.) Isher Singh, 1/11 Sikh Regt.	Summary General Court Martial, Nowshera, 7th September 1944.	Desertion . . .	R. I. for 6 years and dismissal.	Major W. B. K. Batty, 11 Sikh Regtl. Centre.

24	(*i*) Capt. Shah Nawaz Khan 1/14 Punjab Regt. (*ii*) Capt. P. K. Saghal, 2/10 Baluch Regt. (*iii*) Lt. G. S. Dhillon, 1/14 Punjab Regt.	Summary General Court Martial, Delhi, 5th November 1945.	(*i*) Waging war abetment murder. (*ii*) Waging war. (*iii*) Waging war.	Cashiered and forfeiture of all pay.	Mr. Bhulabhai Desai & 22 Defence Council.
25	Abdul Rashid	Summary General Court Martial, Delhi, Dec. 1945.	Waging war brutality .	R.I. for 7 years . .	Mr. Abdul Aziz Khan.

The labour involved in collecting details regarding the personnel who constituted these Courts Martial would not be worth the value of the results.

STATEMENT B—CIVIL COURTS

Serial No.	Name	Place of trial	Charges on which convicted	Result of trial and date of pronouncement	Name of Judge
1	2	3	4	5	6
1	Sepoy Awadeshwar Rai Pande .	Delhi	Section 3 of the Enemy Agents Ordinance, 1943 (*i.e.* aiding the enemy). Section 121A—IPC	Transportation for life, 27th May 1944.	C. M. Ormerod, Esq., I.C.S., Special Judge under the Enemy Agents Ordinance.
2	Sepoy Kartar Singh .	Delhi	Ditto . .	Ditto. 18th Dec. 1944	Ditto.
3	Sepoy Kanwal Singh .	Delhi . .	Ditto . .	Ditto. 18th Dec. 1944	Ditto.

ARREST AND INTERNMENT OF TATSUKI FUJI

65. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Is it a fact that a Japanese, named Tatsuki Fuji, who was the Managing Editor of *The Singapore Herald* for over two years, had to spend some months in India as a prisoner in Delhi Purana Qila before being repatriated to Japan? If so, will Government state the reasons and circumstances of his arrest and detention?

(*b*) Will Government state whether a Tokyo publication called *Singapore Assignment* by Tatsuki Fuji is banned in India; if so, why? If it is not banned, will a copy of it be placed in the Library?

(*c*) Are Government aware that in recording the frequent brawls between the Scot and the English and the Australian soldiers in Singapore before its fall Tatsuki Fuji made the following statement in the book:—

"That is why in the course of the subsequent fighting different sectors were assigned to Australians, Scots and English troops, while Indians were forced to take up the dangerous Jitler Line which bore the brunt of the initial attack"?

(*d*) Do Government propose to take necessary action to have an enquiry made as to why Indian troops were thrust into dangerous situation referred to above?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (*a*) Yes, Sir, he was arrested in Singapore as an enemy alien on the outbreak of war with Japan and was sent to India for internment.

(*b*) *Singapore Assignment* was published in Tokyo in 1943. It consisted of Japanese propaganda against the Allied Nations but it has not been banned in India. There is no copy available for placing in the Library of the House.

(*c*) and (*d*). No, Sir, since the alleged statement is not true.

INDIANS IN BRITISH COLUMBIA

66. THE HON. RAJA YUVERAJ DUTTA SINGH: Is it a fact that there are about 1,200 Indians domiciled in the Province of British Columbia and they suffer from a number of disabilities and that they have no vote and cannot practise as doctors or lawyers? What steps have so far been taken or are proposed to be taken to remove the disabilities?

THE HON. DR. N. B. KHARE: *First part*—Yes.

Second part—Representations have been made from time to time and Government have been actively pursuing the matter.

THE HON. PANDIT HIRDAY NATH KUNZRU: When did Government last take any steps to secure for these people the right to vote in the provincial elections?

THE HON. DR. N. B. KHARE: I could not give the date off-hand. I would like to have notice of the question.

TRIAL OF INDIAN NATIONAL ARMY PERSONNEL

67. THE HON. RAJA YUVERAJ DUTTA SINGH: Will Government state the number of personnel of the I.N.A. who were tried so far by courts martial in India, the places where the trials took place, the arrangements made for their defence, the dates on which they were convicted or released and the punishment awarded to them together with the names of those convicted and released?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I invite the attention of the Hon. Member to the reply given by me to his question No. 64 a few minutes ago.

INDIANS IN MALAYA

68. THE HON. RAJA YUVERAJ DUTTA SINGH : Have Government made any enquiry into the serious allegations made in the Press about the beginning of November that " Indians' condition throughout Malaya is hopeless. Prominent lawyers, doctors, merchants and missionaries have been confined in solitary cells for over a month without trial. Bails have been refused and legal defence not provided; handicapped with invalid currency " ? If so, has any enquiry been made and will Government make a full statement on the subject ?

THE HON. DR. N. B. KHARE: I would draw the attention of the Hon. Member to the Press Communique issued by Government on the 13th December 1945, on the subject.

THE HON. MR. M. THIRUMALA ROW: Have Government received a report from the non-official deputation sent by them to investigate conditions in Malaya ?

THE HON. DR. N. B. KHARE: Yes, Sir.

THE HON. MR. M. THIRUMALA ROW: Have Government published, or do they intend to publish, that report ?

THE HON. DR. N. B. KHARE: No, Sir.

THE HON. MR. M. THIRUMALA ROW: May I know the reason why the Government do not take the public into confidence, when non-official members who have a reputation among the public have gone and reported ?

THE HON. DR. N. B. KHARE: I hope the non-officials themselves who went and saw things will appreciate the reasons for not publishing the report.

THE HON. MR. M. THIRUMALA ROW: Have they agreed that their report should not see the light of day ?

THE HON. DR. N. B. KHARE: I want notice of the question.

THE HON. MR. M. THIRUMALA ROW: Have they no choice to release the report by themselves ?

THE HON. DR. N. B. KHARE: I cannot answer for them.

TRIAL OF AMRIK SINGH GILL AND MR. JYOTISH BOSE

69. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Is it a fact that Sardar Amrik Singh Gill and Mr. Jyotish Bose were tried by court martial, but the trial did not take place in any of the recognised premises used by courts of law in Bengal; but a private house was rented somewhere in Camac Street, Calcutta, where a judge was deputed by the Government of India under the Enemy Agents Ordinance ?

(*b*) Is it a fact that the alleged trial was held *in camera*, with complete black out of all news and the public, the friends or the members of the family of the accused were in the dark till after the execution of the accused had taken place ?

(*c*) Is it a fact that the lawyer who was allowed to defend the accused was approved and chosen by Government ?

(*d*) If the reply from (*a*) to (*c*) be in the affirmative, will Government state the reasons for this procedure ?

(*e*) When and where did this court martial take place, who were the judges, and who was the lawyer who defended the accused ?

(*f*) Was any appeal allowed ? When did the execution of the accused take place ?

(*g*) Will Government place a copy of the judgment of the court martial on the table of the House or in the Council Library ?

THE HON. MR. A. E. PORTER : (*a*) Messrs. Amrik Singh Gill and Jyotish Bose were tried not by court martial but by a Special Judge appointed by the Government of India under section 5 of the Enemy Agents Ordinance. The trial took place at No. 2, Camac Street, Calcutta, in premises which had been requisitioned by the Government of Bengal.

(*b*) It is correct that the trial was held *in camera* but it is not correct that the accused were executed.

(*c*) Yes.

(*d*) The procedure followed was that prescribed by the Enemy Agents Ordinance.

(*e*) The trial took place at Calcutta in May and June 1945. Mr. C. M. Ormerod, I.C.S. was the Special Judge and Messrs. B. N. Basu and P. C. Ghosh the defence counsel.

(*f*) The proceedings were placed before a High Court Judge for review as prescribed by the Ordinance. No execution took place.

(*g*) No.

THE HON. PANDIT HIRDAY NATH KUNZRU : With reference to part (*c*) of the question, why do Government insist on the engagement only of a lawyer whom they approve of ?

THE HON. MR. A. E. PORTER : That is the provision, Sir, of the Ordinance under which the trials are held.

THE HON. PANDIT HIRDAY NATH KUNZRU : Are these trials still going on ?

THE HON. MR. A. E. PORTER : I should like to have notice of that, Sir, but I think not.

DETENTION OF POLITICAL DETENUS.

70. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Is it a fact that numerous political detenus have been suffering detention without trial for about the last 13 years and also many others have put in from 20 to 25 years in the presidency Jail in Calcutta, under orders of the Government of India ?

(*b*) Will Government state the names of those referred to in (*a*) above together with the dates of their detention, the offences for which they are confined, the law under which they are detained ?

(*c*) What opportunity had been given to them for defence ? Do Government propose either to release them unconditionally, or to bring them to trial before a regular Court of Law ? If not, why not ?

THE HON. MR. A. E. PORTER : (*a*) No.

(*b*) and (*c*). Do not arise.

MISBEHAVIOUR OF MILITARY PERSONNEL IN KARACHI

71. THE HON. RAJA YUVERAJ DUTTA SINGH : Will Government make a statement relating to the alleged misbehaviour of some military personne who are alleged to have forcibly entered residential quarters and created panic in Karachi some time back and the steps taken to punish the offenders ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : There have been no such recent incidents in Karachi involving either British or Indian troops, but enquiries

reveal that certain incidents did occur there in which American soldiers were involved in affrays with the local inhabitants. Disciplinary action was taken by the American authorities in all cases reported. Arrangements were also made to reinforce the American Military Police in the Karachi area and no affrays have since been reported.

SOLDIERS OF THE "AZAD HIND FAUJ", ETC.

72. THE HON. RAJA YUVERAJ DUTTA SINGH: Will Government state: (*a*) The total number of soldiers of the "Azad Hind Fauj" who have been brought to India and the places where they are at present lodged? How many of them have been released?

(*b*) The total number of soldiers of the "Azad Hind Fauj" in Malaya, Burma and other places, and how they have been disposed of?

(*c*) Is it a fact that owing to invalid currency, and other causes about 400,000 Indians in Malaya and elsewhere, who were in sympathy with "Azad Hind Fauj" are in dire need of relief and assistance? If so, what has been done for them?

(*d*) Will Government lay on the table the reports which they may have received from their representatives in those territories on this subject or at least place the copies in the Council Library for the perusal of Hon. Members? If not, why not?

THE HON. DR. N. B. KHARE: (*a*) Officers 153
V.C.Os. 416
I.O.Rs. 15,606

On return to India they are held for enquiry at holding centres at Multan and Jhikargacha (including Nilganj and Baraset).

11,290 have been released from detention.

(*b*) Singapore 1,864
Burma 15
Malaya 1,132

They are being sent to India as soon as possible.

(*c*) and (*d*). Government have had information that as a result of war conditions, many Indians in Malaya, Burma and Siam are in need of relief and assistance. The exact number of such Indians is not known. The Government of India's representatives have studied their condition in Malaya, Burma, Siam and Indo-China. A copy of a Press Communique giving the substance of the report on Malaya and of the action taken by Government is laid on the table. A copy of a note indicating the action taken by Government in some of the other countries is also placed on the table. It will not be in the public interest to publish the original reports at this stage.

PRESS NOTE

RELIEF OF INDIANS IN FAR EAST

STEPS TAKEN BY GOVERNMENT OF INDIA

Four Medical Parties to be sent to Malaya

Steps taken by the Government of India for the relief of Indians in liberated territories in the Far East include arrangements for repatriation, relief of labourers and destitutes, supply of clothing to women labourers and medical assistance. Four Medical Relief Parties, consisting of doctors and compounders with necessary medical equipment and stores, are being sent to Malaya.

Shanghai

A sum of Rs.
made for i
returned t
Shanghai and has established an Advisory Committee of representative Indian residents.

Siam and French Indo-China

A sum of Rs. 1,00,000 has been placed at the disposal of the Delegate in Siam of the International Red Cross Committee for the relief of Indian labourers who had been employed by the Japanese on the Burma-Siam Railway. The Allied Military authorities have made arrangements for the medical treatment of those labourers who needed it. The question of arranging repatriation of these labourers is also engaging the attention of the Allied Military authorities.

Mr. M. S. Aney, the Government of India's Representative in Ceylon, has been deputed by the Government of India to look into the conditions of Indians in Siam and French Indo-China.

Philippines

One hundred and two Indians, mostly Sindhi merchants and their employees, have been repatriated from the Philippines.

Malaya

Another sum of Rs. 1,00,000 has been placed at the disposal of the Representative and Liaison Officer of the Government of India with the Supreme Allied Commander, South East Asia for the relief of destitute Indians in Malaya. He has already placed funds at the disposal of non- official organisations for distribution in deserving cases.

The Government of India have decided to send such medical aid and drugs as are necessary for the treatment of ailing Indians in Malaya, particularly of Indian labourers who were employed on the Burma-Siam Railway and who are said to be in need of medical assistance. In the first instance, arrangements are being made to send out four Medical Relief Parties, each consisting of doctors, compounders, etc., with the necessary medical equipment and stores.

The question of the lack of clothing, especially for women labourers in Malaya, is also engaging the attention of the Government of India and steps are being taken to afford necessary relief in this direction.

Arrangements have been made for the repatriation of Indians from Burma, Malaya and other Commonwealth Countries. Owing to the great pressure on transport, it has been found necessary to extend repatriation facilities only to "Compassionate cases" in small batches. Larger batches will be repatriated as and when shipping facilities become available.

Information and Broadcasting Department.
New Delhi, January 11, 1946.

PRESS COMMUNIQUE

GOVERNMENT TO DEFEND DETENUS IN MALAYA.

ARRANGEMENT FOR PANEL OF LAWYERS

Relief and other Measures announced

PANDIT KUNZRU AND MR. KODANDA RAO LEAVING SHORTLY

The Government of India have since received a full report from Mr. S. K. Chettur, I.C.S., their Representative and Liaison Officer in Malaya, on the condition of Indians there. They have also had the advantage of personal discussion with him.

In the course of a fortnight's tour Mr. Chettur made a rapid survey of the condition of Indians in Malaya. He contacted all classes of the Indian community and all shades of local Indian public opinion. He interviewed a large number of the Indians now in detention and studied the conditions in which they were lodged. He visited rubber estates and relief centres set up by the British Military Administration (Malaya) and private charitable organisations. Mr. Chettur also established close personal contacts with officers of the Headquarters staff of the Supreme Allied Commander, South East Asia Command, and of the British Military Administration (Malaya) who welcomed his arrival. Mr. Chettur obtained their co-operation in dealing with the problems affecting the Indian community.

The total number of Indians arrested by the Military Administration in Malaya was 114, of whom 9 have been released unconditionally and 32, released provisionally, six of the remaining 73 are under house arrest. Out of these 73, three are alleged to have been war criminals, 4 Japanese informers and 15 collaborators guilty of committing crimes or acts of cruelty. The charges against the remaining 51 are of collaboration with the Japanese, of being important members of the Indian Independence League or of joining the Indian National Army. Thirty-one out of the 73 have already been placed before special magistrates for preliminary enquiry.

These Indians have been detained in several jails all over the country and Mr. Chettur found their general health and condition to be satisfactory. In most jails they are being provided with food from their own home and where this is not being done satisfactory provision for food has been made. Relatives are ordinarily being allowed to interview them.

The arrests have been made at the instance of the Field Security Unit and those arrested are to be produced before special courts of preliminary enquiry. On the basis of the findings of these courts persons will be committed to the supreme court for regular trial. Mr. Chettur has had special consultations with the prominent Indians arrested regarding arrangements for their defence. Active effort is being made to ensure that the preliminary enquiry and the trial are expedited.

PANEL OF LAWYERS TO BE SENT

In the peculiar circumstances of the case, the Government of India feel that they themselves should undertake the defence of their nationals and provide counsel at the expense of the Government of India, particularly for those who are unable to arrange for their own defence. They have, therefore, decided to send out to Malaya, as soon as possible, with the consent of the South East Asia Command, a suitable panel of competent lawyers from India, Mr. Ramani, a well known barrister of Malaya, has reached there and has already been engaged by the Government of India. The measures which the Government of India propose to take for their defence are in keeping with the wishes expressed to Mr. Chettur by practically all the prominent Indians now under detention.

By the co-operation and courtesy of the Supreme Allied Commander, South East Asia, Command, it has been possible for arrangements to be made for the Government of India to depute to Malaya the Hon. Pandit Hirday Nath Kunzru, Member of the Council of State and of the Standing Committee of the Department of Commonwealth Relations, and Mr. P. Kodanda Rao. They have first-hand experience of Indians overseas and they will be able to advise the Government of India s Representative and the Indian community in Malaya as regards the various measures that may have to be taken to relieve their present condition. They will leave for Malaya before the end of this month.

MEDICAL AND OTHER RELIEF

Mr. Chettur also studied carefully the condition of the Indian population, particularly of the large number of Indian labourers who are now in distress. The British Military Administration and local charitable organisations have already set up relief centres for these people. Funds have been placed at Mr. Chettur's disposal and he has already taken effective action for the improvement of the diet of those who are suffering from malnutrition and for the supply of clothing. A woman Welfare Officer has been appointed to pay special attention to the needs of women and children on the estates. Arrangements for medical relief have also been made and the Government of India are shortly sending out four medical parties with a large store of medical supplies. The British Military Authorities have made arrangements for the employment of able bodied labourers on rubber estates. Reasonable wages are being paid to the men and women employed on this labour.

Many of the Indians are anxious to return to India for rest and recuperation. Immediate return of very large numbers will not be feasible owing to the shortage of shipping, but the British Military Administration have agreed to take action to facilitate their early return; and non-official committees are also being set up at Singapore and Kuala Lumpur to advise regarding suitable priorities for their return.

There is a certain amount of unemployment amongst Indians of the middle classes, particularly those who have suffered from the non-recognition of the Japanese currency. They have, however, tided over the initial period of distress and Mr. Chettur has made arrangements for granting suitable financial assistance to those who are still unable to help themselves.

Mr. Chettur will return to Malaya by the end of this month. The Government of India will maintain the closest contact with him and continue to give Indians in Malaya all the help they can. In the meanwhile Mr. Nataraja Pillai Government of India's Assistant Agent, is looking after the interests of Indians in Malaya.

Commonwealth Relations Department.

New Delhi, December 13, 1945.

EXODUS TO SIMLA

73. THE HON. RAJA YUVERAJ DUTTA SINGH: Is it a fact that Government contemplate to resume the "Simla exodus" on the pre-war scale? If so, why do not the Secretariat and the officials stay in Delhi all the year round?

THE HON. MR. A. E. PORTER: There will be no exodus to Simla during the summer of 1946.

BUILDING OF VESSELS BY INDIAN COMPANIES

74. THE HON. RAJA YUVERAJ DUTTA SINGH: Is it a fact that an Indian Company at Vizagapatam offered to build large ocean-going vessels, and place them at the disposal of His Majesty's Government during the war; but

this offer was turned down. Will Government state the name of this Indian Company and why was the offer rejected ?

THE HON. MR. M. W. M. YEATTS: Yes, Sir. The Scindia Steam Navigation Company had a project for building ocean-going ships at Vizagapatam and were willing to place the ships, when completed, at the disposal of Government. This offer was not turned down ; on the contrary, the Government of India encouraged the scheme and were assisting the firm to obtain from abroad the necessary machinery to complete it. After the bombing of Vizagapatam in 1942, it unfortunately became necessary to suspend it. The intention was to resume the project when conditions permitted, and in fact a start has been made.

FORFEITURE OF PAY OF INDIAN NATIONAL ARMY PERSONNEL

75. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Is it a fact that special orders have been issued by General Headquarters of the Indian Military Command to all demobilisation centres that no I.N.A. man should be given any pay for the period which he has spent in enemy prison camps, or afterwards, in the Indian National Army?

(*b*) Is it a fact that the orders also prohibit the payment of any gratuity, deferred pay or other allowances which are given to discharged soldiers ?

(*c*) If the replies to (*a*) and (*b*) are in the affirmative, why such orders were issued ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (*a*), (*b*) and (*c*). I would invite the attention of the Hon. Member to the Press Note on the subject which was released on the 28th of December last, a copy of which has been placed in the Library of the House.

REPARATIONS

76. THE HON. RAJA YUVERAJ DUTTA SINGH: Are Government aware that there is a general feeling that India is not receiving a fair share of heavy machinery which has been obtained, or which is going to be obtained from Germany and Japan by way of reparation, although her contribution to war efforts was very liberal ? Will Government make full statement on the subject detailing the items of heavy machinery, and its approximate value allotted to India ?

THE HON. MR. Y. N. SUKTHANKAR: 1. Yes. The position regarding German reparations is briefly as follows: As the Hon. Member is aware, a conference on German Reparations at the official level was held at Paris in November last and India was represented at this conference. Under the Agreement reached at Paris, India has been allotted 2 per cent of the general reparations called category 'A' and 2·9 per cent of industrial and other capital equipment called category 'B'. 3 lists of capital equipments have been received by the Government of India as available for advance deliveries of reparations from Germany and India has made a bid for certain items in those lists. Further lists are expected to be received when the Control Council in Berlin has decided what further equipment should be made available. The allocation of equipment to India, as to other countries entitled to a share, will be made by the Reparations Agency which has been set up in Brussels. India is represented on this Agency and has the same rights as all other countries.

Considering all the circumstances, the Government of India therefore feel that India has succeeded in obtaining a fair share of German reparations.

2. As regards Japanese reparations, the question is still under discussion. The Government of India are pursuing the matter and would endeavour to get the best possible terms at the reparations conference.

CONSTRUCTION OF A RAILWAY BRIDGE OVER THE GANGES AT PATNA

77. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Will Government state when the work of constructing a railway bridge over the Ganges at Patna

(Bihar) is likely to be taken up and completed ? What is its estimated expenditure ?

(*b*) Will Government state whether the proposed bridge is intended for other wheeled traffic besides the Railway, and also for pedestrians ?

THE HON. SIR ARTHUR GRIFFIN : (*a*) As the project for the construction of a combined road and rail bridge over the river Ganges at or near Patna or Mokameh Ghat is at present under active investigation in the field, Government are not in a position to supply the information asked for.

(*b*) The project, as I have stated, is for a combined road and rail bridge. The requirements of pedestrians will also be taken into account.

CONVERSION OF AN INTER CLASS COMPARTMENT INTO A FIRST CLASS COMPARTMENT

78. THE HON. RAJA YUVERAJ DUTTA SINGH : Will Government make a statement relating to an incident which is alleged to have taken place on or about the 4th December, 1945, at Lucknow junction railway station, when an inter class compartment attached to the G. I. P. Express was forcibly got vacated by the railway staff, and turned into a first class compartment for the use of the family of an European officer, in spite of the protests of the inter class Indian passengers to the European Station Superintendent ? Who was the European officer for whose family the inter class compartment was vacated ; and what steps have been taken against those responsible for this occurrence ?

THE HON. SIR ARTHUR GRIFFIN : On 4th December 1945, there was a heavy rush of upper class passengers wanting to proceed from Lucknow to catch a ship leaving Bombay on the 6th or 7th December 1945. On a request from Mr. Cowan, Additional Deputy Secretary, Industries and Supply Department, U. P., for accommodation in the train for 3 European ladies and 2 children travelling ex Kathgodam to Bombay for the ship, the acting Station Superintendent, Lucknow Station, ordered conversion of an inter class compartment in the through Lucknow-Bombay coach on 604 Up of 4-12-45 into a first class compartment. Of the inter-class passengers who vacated the compartment on its conversion into first class, 5 returned their tickets for cancellation while the rest were accommodated elsewhere in the train. Suitable disciplinary action was taken by the East Indian Railway Authorities against the Station Superintendent for his irregular action.

THE HON. MR. G. S. MOTILAL : What was the action taken ?

THE HON. SIR ARTHUR GRIFFIN : He was severely reprimanded.

PROPOSED INDO-BURMA IMMIGRATION AGREEMENT

79. THE HON. MR. SURPUT SINGH : Will Government state :—

(*a*) Whether an Agreement is in contemplation between the Government of India and the Government of Burma ?

(*b*) Whether non-official Indians will find place on the committee that will settle the terms of the Agreement ?

(*c*) If so, who they will be ?

(*d*) The necessity that has arisen to undertake such an Agreement ?

(*e*) Whether the Agreement is already a settled fact ?

(*f*) Will Government also state :—

(*i*) the names of persons who represented India ;

(*ii*) the place where the terms and provisions were discussed and settled ;

(*iii*) the main terms and provisions thereof ;

(*iv*) the provisions that concern and affect this country in particular ?

THE HON. DR. N. B. KHARE : (*a*) Negotiations have been pending for an agreement with the Government of Burma on the question of Indian immigration into Burma.

(*b*) and (*c*). Presumably the Hon. Member has in mind the composition of any delegation that Government of India may appoint for negotiating ar agreement. No decision has been taken in this connection.

(*d*) For safeguarding the rights and status of Indians in Burma it is desirable to conclude an agreement with the Government of Burma regarding Ind an immigration into that country.

(*e*) and (*f*). No agreement has yet been concluded ; so the further questions do not arise.

BRETTON WOODS AGREEMENT

80. THE HON. MR. SURPUT SINGH : Will Government state :—

(*a*) The full scheme of the Bretton Woods Agreement ?

(*b*) The main provisions of that Agreement ?

(*c*) Why India has been made a signatory to the Agreement ?

(*d*) What particular benefits will accrue to India by being made a party to it ?

(*e*) The amount of contribution that India will have to make (*i*) at a time (*ii*) annually towards the upkeep of the Institution that will come into being as a result of the Agreement ?

(*f*) Whether Indians will find place in the Institution ?

THE HON. SIR CYRIL JONES : (*a*) and (*b*). I would refer the Hon. Member to the Final Act of the United Nations Monetary and Financial Conference.

(*c*) and (*d*). The Hon. Member's attention is invited to the paper entitled "India and the Bretton Woods Agreements" and in particular to paragraphs 12 to 25 thereof ; also to the Press Communiqué, dated the 24th December 1945 on the subject of the Bretton Woods Agreements.

(*e*) India's subscription to the Fund is $400 million. The entire amount (less $40,000 already paid) is expected to be paid in the next financial year. The value of India's share holdings of the Bank is $400 million. Of this $40 million (*less* $ 40,000 already paid) are expected to be paid in the next financial year. Another $40 million will be paid later on while the remaining $320 million will be a reserve liability. No annual contribution towards the upkeep either of the Fund or of the Bank will be made.

(*f*) Most certainly, Sir.

THE HON. SIR N. GOPALASWAMI AYYANGAR : Do Government intend to bring this matter up for discussion in this House ?

THE HON. SIR CYRIL JONES : The question has not yet been considered The matter is still officially before the Legislative Assembly.

THE HON. SIR N. GOPALASWAMI AYYANGAR : Could the Hon. Member tell as why this House was not convened for discussing this matter before the Government of India put their signature to these documents ?

THE HON. SIR CYRIL JONES : That has already been fully explained in the Press Communiqué to which I have invited the attention of the Hon. Member who has put the question.

THE HON. SIR N. GOPALASWAMI AYYANGAR : Was a Press Communiqué published recently ? I am not aware of that.

THE HON. SIR CYRIL JONES : On the 24th of December 1945, Sir.

THE HON. SIR N. GOPALASWAMI AYYANGAR : Is that part of the special consideration which the Government showed to this House namely, that they do not wish it to discuss petty matters of this description ?

THE HON. SIR CYRIL JONES : I am sorry I do not follow the question.

PAPER CURRENCY

81. THE HON. MR. SURPUT SINGH : Will Government state :—

(*a*) The total amount of paper currency in circulation in this country in the year just before the war broke out ?

(*b*) The amount by which that currency was inflated in 1940-41, 1941-42, 1942-43, 1943-44 and 1944-45, respectively ?

(*c*) The total amount of such currency which is at present in circulation in the country ?

(*d*) What step or steps are being taken to bring down the inflation in the paper currency ?

THE HON. SIR CYRIL JONES : (*a*) and (*b*). I would refer the Hon. Member to the Reserve Bank of India's Report on Currency and Finance for the year 1944-45, a copy of which is available in the Library of the Legislature, and to its weekly accounts which are published in the Gazette of India.

(*c*) The notes in circulation on the 15th February 1946 amounted to Rs. 11,97,55,30,000.

(*d*) Anti-inflationary measures, the retention of which in the changed conditions brought about by the termination of hostilities is considered desirable, are still being pursued. I might mention in particular the Government's saving and borrowing campaign. These steps, in combination with a reasonably rapid rate of demobilisation, a considerable reduction in defence demands on India's resources and maximum assistance in the matter of reconversion should accentuate the retardation of the rate of currency expansion which has already set in, if not actually reverse the trend.

PAPER CURRENCY

82. THE HON. MR. SURPUT SINGH: Will Government state :—

(*a*) The statutory powers by which the Government of India have augmented the Paper Currency during the years of the war ?

(*b*) The statutory authority under which they have debased the coinage by introducing nickel and bellmetal in small coins ?

(*c*) The statutory authority under which they have reduced the silver contents in the current rupee, half rupee and quarter rupee ?

(*d*) The statutory powers under which they have declared Queen Victoria Edward VII, George V and George VI silver rupees (up to 1939 coinage) declared as withdrawn from circulation ?

(*e*) The total amount in circulation by which small coins have been debased from silver up to date ?

THE HON. SIR CYRIL JONES : (*a*) The statutory power to issue paper currency in British India vests in the Reserve Bank of India under section 22 of the Reserve Bank of India Act.

(*b*) Section 6 of the Indian Coinage Act, 1906.

(*c*) Section 5 of the Indian Coinage Act, 1906.

(*d*) Section 15A of the Indian Coinage Act, 1906.

(*e*) I regret that I am unable to understand the question.

WORKING OF HIS MAJESTY'S MINT

83. THE HON. MR. SURPUT SINGH: Will Government state:—

(*a*) Whether His Majesty's Mint was open at any time to minting on behalf of private individuals ?

(*b*) If so, the reason or reasons for which that practice was discontinued ?

(*c*) When it was first suspended ?

(*d*) Whether it is a fact that recently that practice has again being thrown open to the public ?

(*e*) The special reasons for which that move has been made ?

(*f*) Whether turning out of sovereigns only is for the present undertaken ?

(*g*) If the reply to (*f*) is in the affirmative, what is the quality and the quantity of gold bullion needed for turning out 1,600 sovereigns ?

(*h*) What is the gold and alloy content, which will go in each such sovereign ?

(*i*) What are the minting charges for turning out the quantity mentioned in (*g*) levied at present ?

(*j*) The charges which used to be levied for turning out similar quantity of sovereigns for private persons before the old practice was discontinued ?

(*k*) Whether private minting of silver coins will also be undertaken gradually ?

THE HON. SIR CYRIL JONES: (*a*) Yes, up to the year 1892, but for silver rupees only.

(*b*) In order to control the quantity of silver coin put into, or withdrawn from, circulation.

(*c*) In the year 1893.

(*d*) No, Sir.

(*e*) Does not arise.

(*f*) Sovereigns have never been minted in the Indian Mints.

(*g*) This question does not arise; but 1,600 sovereigns contain 376·64 fine ounces or 1,004·38 fine tolas of gold and 91·39 tolas alloy.

(*h*) A sovereign weighs 123·27 grains of which 112·99 grains are pure gold and 10·28 grains alloy.

(*i*) Does not arise.

(*j*) Does not arise.

(*k*) No, Sir.

EXPORT OF COTTON TEXTILES

84. THE HON. MR. SURPUT SINGH: Will Government state:—

(*a*) Whether considerable quantities of Indian cotton textiles were sent outside the country for commercial purposes during the years of the war ?

(*b*) If the answer is in the affirmative, what was the total quantity which went to (*i*) Egypt, (*ii*) China, and (*iii*) Ceylon, respectively, during 1942-43, 1943-44 and 1944-45, respectively ?

(*c*) Whether Government carried out the business themselves or had in done through some firm or agency ?

(*d*) If through some firm or agency, the name or names of such firms or agents ?

(*e*) The profits which have accrued to the Indian Exchequer from those Indian cotton textile transactions abroad ?

THE HON. MR. Y. N. SUKTHANKAR: (*a*) Export of cotton textiles for commercial purposes was permitted from India during the war years, mostly on the basis of a world allocation.

(*b*) A statement is laid on the table of the House.

(*c*) Exports were allowed through normal trade channels except in the case of China where the exportable quantity for the period July 1944 to June 1945 was bartered by Government for Chinese silk required for essential military requirements.

(*d*) and (*e*). In view of the answer to part (*c*) above, the questions do not arise.

THE HON. MR. M. THIRUMALA ROW: With regard to (*a*), what is the authority that has made these allocations and has India got any voice in this matter?

THE HON. MR. Y. N. SUKTHANKAR: Yes, the Combined Production Resources Board at Washington. But we are always consulted before allocations are made.

I.—*Cotton Piecegoods*

Destination.	Quantity (Yards)			Value		
	1942-43	1943-44	1944-45	1942-43	1943-44	1944-45
				Rs.	Rs.	Rs.
Egypt .	31,391,807	1,657,755	49,955	1,28,70,678	11,21,507	30,098
China . .	5,934	43,203	Nil	2,000	44,526	(not available.)
Ceylon .	52,525,212	37,649,992	43,799,701	2,99,48,675	4,84,30,259	7,83,57,278

II.—*Cotton Yarn.*

Destination.	Quantity (Pounds).			Value		
	1942-43	1943-44	1944-45	1942-43	1943-44	1944-45
				Rs.	Rs.	Rs.
Egypt .	1,307,657	74,665	39,980	12,91,103	1,84,330	1,61,358
China . .	nil	1,200	nil	nil	7,600	nil
Ceylon .	219,267	345,052	280,000	2,71,161	7,10,267	(not avail-

COTTON MILLS PLACED UNDER THE MILITARY.

85. THE HON. MR. SURPUT SINGH: Will Government state:—

(*a*) How many Indian cotton mills were placed under full military control for turning out cloth needed for military personnel only?

(*b*) The total quantity which was produced by such mills during the last four years of the war?

(*c*) The total amount which has been paid to the mills for such military supplies?

(*d*) For how many years those mills have been kept employed for that purpose only?

THE HON. MR. M. W. M. YEATTS: (*a*) None.

(*b*) to (*d*). Do not arise.

THE HON. MR. M. THIRUMALA ROW: Were they under semi-military control, if not under full military control?

THE HON. MR. M. W. M. YEATTS: At the beginning military supplies were obtained on tender. Thereafter they were distributed over the industry by a textile panel and carried voluntarily by the industry throughout.

THE HON. MR. M. THIRUMALA ROW: Have any mills been requisitioned by the Government of India for their needs under the Defence of India Rules? Have you taken hold of any mills for your own production?

THE HON. MR. M. W. M. YEATTS: No.

THE HON. MR. G. S. MOTILAL: Were not one or two mills taken possession of by Government some time back?

THE HON. MR. M. W. M. YEATTS: No.

EXPORT OF RAW COTTON TO CHINA

86. THE HON. MR. SURPUT SINGH: Will Government state:—

(*a*) Whether it is a fact that considerable quantity of raw cotton was flown across the Himalayas from India to China in American planes during the later years of the war?

(*b*) The total quantity so flown?

(*c*) Whether it was for commercial purposes or for relief?

(*d*) Whether Government themselves carried on the business?

(*e*) If not, the agents through whom the transactions were made?

(*f*) Whether any profits were made on the transaction?

(*g*) What was the total amount of profits?

(*h*) Whether the profits were shared with the American allies?

(*i*) Whether acute stringency of cotton textiles was prevailing in this counrtry when the said transactions were made.?

THE HON. MR. M. W. M. YEATTS: (*a*), (*b*) and (*c*). At the request of the Chinese High Commissioner, the Government of India last summer supplied the following quantities of raw cotton to the Chinese Government for relief purposes:—

(*i*) 14,181 bales of Oomra Deshi (short staple).

(*ii*) 1,794 bales of Jarilla $\frac{3}{4}$".

This cotton was sent by rail to Assam at the cost of the Chinese Government. From there, under arrangements made between the Chinese Government and the American authorities, it was flown in American aircraft to China.

(*d*) Yes.

(*e*) Does not arise.

(*f*) No.

(*g*) and (*h*). Do not arise.

(*i*) Cotton textiles were in short supply in India at the time of this transaction, as they are now. The types of cotton supplied to the Chinese Government were surplus to India's requirements.

THE HON. MR. M. THIRUMALA ROW: With regard to (*f*), have Government incurred any loss, if not profits?

THE HON. MR. M. W. M. YEATTS: No, Sir.

APPOINTMENT OF MR. MORTON AS CHIEF PSYCHOLOGIST

87. THE HON. MR. SURPUT SINGH: Will Government state:—

(*a*) Whether one Mr. Morton declared to be a psychologist is being brought out from Canada asa specialist?

(*b*) What consideration or considerations have led Government to appoint a foreigner as their consulting psychologist?

(*c*) What was the special urgency for making such an appointment at such a time?

(*d*) Whether "carrying out research in methods of selection of personnel for services under the Government of India" was not possible through some selection made from the existing well-equipped Psychological Department of the Calcutta University?

(*e*) Whether Government have tried to find out if a more suitable person with British qualification was not available in this country for the duties for which a man from Canada is appointed ?

THE HON. MR. A. E. PORTER: (*a*) Yes.

(*b*) to (*e*). War service candidates for the reserved vacancies in the various services are being tested by selection boards of the type used by the Defence Services during the war. On the technical side these boards will be supervised by the Employment Selection Bureau which Government have set up to investigate and advise as to the application of these modern methods of selection to civil needs generally, *e.g.* for the purpose of recruitment to the public service and for more general employment purposes such as suitability for higher education and vocational training. Mr. Morton has been appointed as Chief Psychologist in this Bureau. The post requires a high degree of technical attainment and experience. Few men with the necessary qualifications are available and one could not be found in India or in the United Kingdom. The Agent General in Washington was then consulted and after enquiry he recommended Mr. Morton who during the war was Technical Director of Personnel Selection in the Canadian Defence Headquarters and who before the war was on the professorial staff of the McGill University.

THE HON. KHAN BAHADUR KERAMAT ALI: Was this post advertised in India and were applications called for from candidates in India ?

THE HON. MR. A. E. PORTER: No, Sir.

THE HON. MR. M. THIRUMALA ROW: Will he examine the psychology of the present members of the Government of India ?

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY: How does the Government know that there is no one fit for this post in India.

THE HON. MR. A. E. PORTER: It is a very large question and the actual fact is that the qualifications required are such that there are in the whole world only a very limited number of men who possess them. Inquiries were made to find suitable people and it was decided that this gentleman was the best that could be got in the circumstances. I may say it is a rather technical question on which I feel that perhaps Hon. Members of this House have not had an opportunity of hearing the full facts ; and if the House desires and if you permit, I am prepared to make a statement or if you prefer I shall lay a statement on the table now.

THE HON. THE PRESIDENT: I think it is advisable to lay the statement on the table.

THE HON. MR. A. E. PORTER: Thank you, Sir. I might add that if any member of this House would like to see a Selection Board at work I shall be glad to arrange for an opportunity of his visiting one.

THE HON. PANDIT HIRDAY NATH KUNZRU: Has this gentleman been permanently appointed or only for a term of years ?

THE HON. MR. A. E. PORTER: Only for a term of years—three years in the first instance, subject to termination by six months' notice on either side after the first year.

HOME DEPARTMENT

Reasons for adopting the Selection Board procedure for recruitment to 'war reserved' vacancies.— In deciding a method of recruitment to' war reserved' vacancies Government were faced with the problem of selecting a comparatively few persons from a very large field of candidates without recourse to a competitive written examination. Interview by mere selection was also considered impracticable because of the large number of candidates. It was, therefore, decided to carry out

a preliminary test by means of selection boards of the type used by War Department for selecting officers for Commissions. This method had been used for recruiting officers from the Forces to reinforce civil Government towards the close of the war.

2. *Process of selection by civil Selection Boards.*—The tests fall into two main groups (*a*) intelligence tests (*b*) practical and outdoor tests. The second group is designed to test the candidate (*a*) as an individual (*b*) in his relations with others, *i.e.*, his fellow candidates. At the end of the course which lasts for 2½ days a full meeting of the Board takes place at which the various officers who have tested and interviewed the candidates pool the results of their observations and a final verdict about each candidate is reached.

The F. P. S. C. will summon candidates for final interviews on the basis of the selection board results.

3. *Functions of the Employment Selection Bureau.*—The Employment Selection Bureau is entrusted with the functions :—

(*a*) To investigate and advise the Government of India, the Federal Public Service Commission and Provincial Governments on the application of technical methods of selection for the purposes of recruitment to the various branches of the public service and for more general employment purposes such as suitability for industrial and vocational training or for any particular form of employment.

(*b*) To train and maintain a Selection staff for the purpose of carrying out these methods of selection.

(*c*) To superintend the technical work of the selection boards set up by the Government of India for the testing of candidates for war-reserved vacancies in the Indian Civil Service, the Indian Police, the Central and Provincial Services.

4. *Staff of the Employment Selection Bureau and Selection Boards.*—This is the first occasion on which Government have attempted to use for purposes of selection to civil services modern methods of selection involving the use of trained Psychiatrists.

It was originally hoped to borrow the staff required from the War Department but in the result the War Dept. were unable to spare staff. The Civil Government had therefore to recruit for itself. Some officers have been found in India but for the senior men required, who must be highly qualified and trained, Government had to go outside India. In the case of the chief psychologist a suitable candidate could not be found in the U.K: men with the requisite attainments and experience are extremely rare, and the few qualified men in the U.K. were already committed elsewhere. The Agent General in Washington was accordingly approached who after thorough enquiry recommended Mr. Morton. Mr. Morton was in charge of this branch of work in the Canadian Army during the war and the Govt. of India are fortunate in securing his services.

AERODROMES CONSTRUCTED IN BENGAL DURING THE WAR

88. **THE HON MR. SURPUT SINGH :** Will Government state :—

(*a*) The exact number of aerodromes which have been constructed in the Province of Bengal for military purposes during the years of the war ?

(*b*) Whether in construction of those aerodromes considerable lands and jungles had to be cleared and innumerable big trees had to be cut down in the neighbourhood of the places where they were constructed ?

(*c*) Whether the felling down of big trees and levelling up of grounds have not manifestly affected the geological features and physical conditions in the neighbourhoods of those aerodromes ?

(*d*) Whether it is not a fact that the presence of big trees materially induce clouds to gather over them and cause even rainfall in their neighbourhood ?

(*e*) Whether now in the absence of the umbrageousness on account of the excessive cutting down of trees the countryside in numerous places in Bengal has become liable to abnormal or subnormal rainfall ?

(*f*) Whether indications are already evident of a perceptible change in the climatic conditions as well as in rainfall in Bengal ?

(*g*) Whether a scientific survey of the situation that has arisen by the cutting down of big trees all round in considerable numbers and levelling up and down of the earth surface all over the Province will be undertaken in time to prevent any natural catastrophe in future ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (*a*) 69 airfields of which more than half were satellites or emergency landing grounds.

(*b*) Considerable areas of land had to be cleared to construct these airfields which were made necessary by the over-riding needs of war. Very few of the airfields were sited in heavily wooded areas and, in no case was the number of big trees great and was, in fact, restricted to the minimum necessary to secure the operational efficiency of the airfields.

(*c*) to (*g*). In view of the reply to part (*b*), these parts do not arise.

DACCA-ARICHA RAILWAY

89. THE HON. RAI BAHADUR SATYENDRA KUMAR DAS: Will Government state: (*a*) Whether Dacca-Archia Railway project is likely to be considered in connection with the Post-war Scheme of railway construction in Bengal?

(*b*) If the answer is in the negative, will Government state the reasons therefor?

(*c*) Is it a fact that Dacca-Archia Railway project was dropped on the objections of the Government of Bengal on the grounds of public health?

(*d*) If the answer is in the affirmative, will Government state whether in view of the malaria survey carried out by the District Board of Dacca, they propose to ask the Government of Bengal to withdraw their objection?

(*e*) Is it a fact that the Manikganj sub-division in the district of Dacca remains cut off from the headquarter of the district for the greater part of the year on account of the gradual silting of the River Dhaleswari in the absence of the facilities of railway travel in those areas?

THE HON. SIR ARTHUR GRIFFIN: (*a*) The project was considered in consultation with the Government of Bengal and it was decided to exclude this project from the list approved for survey.

(*b*) Does not arise.

(*c*) The Government of Bengal objected to the project both on the grounds of "Public Health" and "Irrigation."

(*d*) Government are not in possession of any report of malaria survey, carried out by the District Board of Dacca. A report by the Public Health Department of the Government of Bengal on this subject is being studied in the Railway Department.

(*e*) Government have no information at present.

RELEASE OF PASSENGER COACHES BY THE MILITARY

90. THE HON. RAI BAHADUR SATYENDRA KUMAR DAS: (*a*) Has the attention of Government been drawn to the recent speech delivered by Rai Bahadur N. C. Ghosh, General Manager, E. I. R., in which he stated that the restoration of the pre-war facilities of railway travel could not take place on account of the non-release by the Military Department of a large number of passenger coaches of the said railway?

(*b*) Will Government state why railway passenger coaches are not being released although the war is over?

THE HON. SIR ARTHUR GRIFFIN: (*a*) Yes.

(*b*) Although hostilities have ceased, large movements of Military personnel still continue in connection with the repatriation of British and allied troops, and the demobilisation of Indian troops. These movements are likely to continue at the present high level for at least another three months. Thereafter the movements will begin to diminish steadily, but no sudden decrease can be expected as the factors of repatriation and demobilisation will still be present.

RESOLUTION *RE* ABOLITION OF THE COUNCIL OF STATE

THE HON. MR. G. S. MOTILAL (Bombay : Non-Muhammadan) : I beg to move that :—

" This Council recommends to the Governor General in Council that unless the relevant rules are amended and the number of elected members in this Council raised to forty, before the next general election, His Majesty's Government be approached to abolish this Chamber ."

It will be recalled, Sir, that over a year ago I moved a Resolution here which was framed in different language but it was on the same subject. It was a more comprehensive Resolution and there were six parts to it. Today, Sir, I do not propose to go into the details. I wish to lay emphasis on the substance of the Resolution. At that time I had also asked that the franchise be widened. I stand by that demand.

THE HON. THE PRESIDENT : Please confine yourself to the Resolution before the House.

THE Hon. MR. G. S. MOTILAL : I only want to read the relevant remarks. I will confine myself to the Resolution before the House.

Sir, the Resolution moved at that time, as I said, was couched in a different language. At that time every section of the House, except the nominated Members —and even one of them gave his qualified support—supported the Resolution as can be seen from the proceedings of the House, I wish Sir A. P. Patro were here today as he had given me the fullest support, for what he said at that time was this.

THE HON. THE PRESIDENT : Hon. Member, may I draw your attention to Standing Order 125 which I will read to you :—

" The discussion of a Resolution shall be strictly limited to the subject of the Resolution."

THE HON. MR. G. S. MOTILAL : I have not said anything yet, Sir, beyond the subject of the Resolution. These remarks are relevant to the Resolution also.

THE HON. THE PRESIDENT: I have to follow the order and I have drawn your attention to it.

THE HON. MR. G. S. MOTILAL : Sir, I will submit to your ruling and your remarks.

Sir, what I am saying is that when this Resolution was discussed, Sir A. P. Patro said that I should bring this Resolution after the war was over as that would be the proper time. Sir, events have moved fast during the last six months. The war has come to an end. The collapse of Germany has occurred. It has been followed by the fall of Japan. We are now at the brink of a time when the Constituent Assembly is to be set up to frame a new constitution. I had imagined that the constitution making body would be set up earlier and that it would not be necessary to hold this election, but I find that the general election, is going to be held. Sir, if a general election is to be held and it is not possible to say for how long it will work, but it may be in operation for a year or two.

Now, is it in accordance with the new spirit that this House should continue with the composition that it has now ? Sir, section 63 of the Government of India Act was so framed that it would be open to the Government of India with the sanction of the Secretary of State to amend the rule so as to raise the number of elected members from 33 to any number up to 60.

I shall read the relevant section. This section is one which has been retained under the transitional provisions. It is section 63A. It says:

"The Council of State shall consist of not more than 60 members, nominated or elected, in accordance with rules made under this Act, of whom not more than 20 shall be official members."

So, Sir, the section has given power to the rule-making authority to raise the number of elected members to any number up to 60, and the only other provision is that the official members shall not be more than 20. So, there need not be any official member according to this section and there need not be nominated member either, so far as this section goes. But this Government is not a responsible Government, and, therefore, a certain official element has to be in this House in order to answer the representatives of the public on the pleas which they make. I have, therefore, not asked—although I should be happy if an amendment were moved to accept it—that the number of elected members be raised to 50. As it is my proposition asks that the number of elected members should be raised to 40.

Sir, the value and influence of this House are reduced to a cipher by this overdose of nomination, and it is unable to render any useful service to the public. I had advanced arguments for the number being raised, and I do not propose to repeat them on this occasion. I yield to none in this House, or outside its precincts, in my desire to see at the earliest opportunity a purely elected Indian Legislature functioning in this country, be it unicameral or bicameral. But as practical men we know that before the new constitution comes into force, some time has to elapse, and for this interregnum, my appeal to Government is that they should raise the number of elected members to 40.

As I once said, representative opinion in this country and outside is that the House should have a senatorial character. Before I came into this House, the opinion which I held was that a second chamber had a useful purpose in the scheme of things. But my experience of the House has compelled me to think that if a second chamber is of this character, then it is better that it be abolished. So, Sir, before the next constitution comes into force, such a step should be taken, and it will be a gesture which will be in keeping with the declarations which have been made recently, since September last.

The House knows that even the 1935 Act which provided for a second chamber provided, so far as representation of British India is concerned, that 50 shall be the members elected by the representatives of the people, & the nominations were, except for a nominal number, done away with. I do not know what the Coustituent Assembly will do, but I know one thing, that in this country the working of this Council of State has made the Council of State an object of ridicule. It does not command the respect that a Senate should command. What is the remedy, under these circumstances, and how can we improve it and give it something like a senatorial character by raising the number of elected members. What happens in this House today is this. Most of the Resolutions, whether they are of a right type or wrong type—but I say mostly of a right type—are simply murdered in this House irrespective of the merits. The Resolutions are nothing but recommendations, whether they be in this House or in the other House. Even those Resolutions are stopped by the Government. And they give, as we see, more respect to the Assembly because there is a larger element of elected representatives. If this Resolution is accepted and the number of elected members raised, it will invest this House with a certain amount of authority and influence. The popular view will then be before the House which will receive more attention than it does now at the hands of Government.

Sir, I would like the nominated members to believe me when I say that I do not wish to say anything to offend them and have not the slightest desire to say anything disparaging so far as they are concerned. My quarrel is with the system. My indictment is against the system. They have been esteemed friends of ours. If they were free from the shackles of the conventions, they might be voting with us on many matters. But it is the system which is at fault, and I want this system to be done away with. But before we do away with it—which I know this Government is not going to do—I want that the sting should be taken out of it. If that sting is taken away, it will add the usefulness of the Council of State.

I need not now go into the various sections. Section 129 is the section which relates to the rule-making power. When I moved the Resolution in the last session, I referred to it, and I need not go into it now. That section is before the House,

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and the Leader of the House knows it, and, theuefore, I do not wish to take the time of the House by going through it again. But that section empowers the Governor General to make rules. The section with regard to the Assembly is also elastic; it enables the Governor General to increase the number of elected members in the Assembly also, and reduce the number of nominated members there. But it is not for me in this House to take up that question. Those sections were so framed as to enable the bringing about of a more representative, if not responsible, government in this country. It is for the members of the other House to take up that question if they desire. But they are satisfied with the present position and want larger issues to be tackled. But so far as this House is concerned, there has been such dissatisfaction both among members here and in the country, that it is necessary that such a step should be taken.

Sir, I move.

THE HON. THE PRESIDENT: Honourable Mr. N. K. Das, will you now proceed with your amendments?

THE HON. MR. N. K. DAS (Orissa: Non-Muhammadan): Sir, after hearing the Hon. Mover of this Resolution I am prepared to revise my amendment, if you will permit me Sir, and if the Hon. Mover will be willing to insert the words "and the seats redistributed among provinces in such a manner as each separate province gets its due share of representation". These are the words that I want to be inserted in the Resolution.

THE HON. PRESIDENT: I don't think I can allow that. Will you please read your amendment? It is usual to read the amendment first before you make your speech.

THE HON. MR. N. K. DAS: My amendment runs thus:—

"(*i*) That the word 'unless" be omitted.

(*ii*) That for the words "are amended and" the following be substituted, namely:—

"be amended".

(*iii*) That after the words "raised to forty" the following words be inserted:—

"and the plural member constituencies be so split up and the seats redistributed among provinces in such a manner as each separate province gets its due share of representation".

(*iv*) That the words "His Majesty's Government be approached to abolish this Chamber" be omitted."

THE HON. THE PRESIDENT: You have four separate amendments all put together in one amendment.

THE HON. MR. N. K. DAS: I would like to drop the whole of these four amendments if you will permit me, Sir.

THE HON. THE PRESIDENT: I have ruled it out of order. You will now make your speech.

THE HON. MR. N. K. DAS: Sir, my amended Resolution will stand thus:—

"This Council recommends to the Governor General in Council that unless the relevant rules are amended and the number of elected members in this Council raised to forty and the seats redistributed among provinces in such manner as each separate province gets its due share of representation—"

THE HON. MR. M. THIRUMALA ROW: It is already in the amendment he has given notice of. There will be no harm if the President admits that amendment.

THE HON. THE PRESIDENT: You can get up at the proper time. The Hon. Member is now addressing the House. You can speak after he has spoken.

THE HON. MR. N. K. DAS: Sir, my main object in moving this amendment was that the Mover had sought to raise the number of elected members in this House. As it is, the elected members in this House now happen to be 32 and it is sought to raise it to 40. When it is raised to 40 I believe these seats will be redistributed among the Provinces and each province will get its due share of representation. My main complaint has been that, Bihar and Orissa used to have 3 non-Muhammadan seats. But in 1936, in reply to a question asked in the other place, the Law Member said that they were contemplating to allot one of these three non-Muhammadan seats to Orissa, and that was only in alternate Council of State. In fact, the Hon. the Law Member, in his reply, said :-

"The Hon. Member will of course understand that it is only the period preceding Federation during which constituencies will overlap provincial boundaries".

I will explain that matter, Sir. The Province of Orissa is carved out of three Provinces,--Bihar and Orissa, Madras and the Central Provinces. When this one non-Muhammdan seat was allotted to Orissa, it was laid down by the Governor General in Council that whenever Bihar and Orissa got 3 non-Muhammadan seats, one of these three will be allotted to Orissa and that Orissa, for that seat, will be considered to be a separate constituency. I will just read to you, Sir. It was stated in the Notification of the Government of India of the 12th May, 1936 :-

"For the purpose of any general election to the Council of State at which the Bihar and Orissa (Non-Muhammadan) Constituency is entitled under the provisions of Schedule I to the Council of State Electoral Rules to elect three members and of any by-election to the council for the constitution of which such general election is held, the said constituency shall be divided into two constituencies of the names and class and with the extent specified in the Table hereto annexed and each of the said two constituencies shall be entitled to the number of members so specified.

TABLE

Name of Constituency	Class of Constituency	Extent of Constituency	Number of Members
Bihar (Non-Muhammadan)	Non-Muhammadan	The Province of Bihar . .	2
Orissa (Non-Muhammadan)	Non-Muhammadan	So much of the province of Orissa as was on the 31st March, 1936, included in the Province of Bihar and Orissa."	1

This means, Sir, that in every other Council of State, Orissa gets a representative and in the third, fifth and seventh and succeeding Councils of State Orissa is debarred from having a representative. As I have explained, Sir, the provinces of Madras, Bihar and Orissa and C. P. have over-lapped their constituencies inasmuch as parts of these Provinces are now included in the separate province of Orissa.

The arrangements, as I have already said, were of a very temporary nature and Federation was expected in about 1937. It was only for the transitory period that this arrangement was made. It was anticipated that Federation would come into being. I wish further to say that if Federation had come into being it was contemplated that Orissa would have 4 non-Muhammadan and one Muhammadan, or 5 seats in the Federal Council of State. But that did not come to pass. As you might be aware, Sir, Orissa and Sind were created into two separate Provinces in 1936. Whereas Sind with 382 voters was given a permanent seat on the Council of State, Orissa was given a seat only on alternate Councils of State. Berar has also been allotted one separate seat and the number of voters in that constituency is 402. Whereas in Orissa, though the number of voters is 422 and it will double including ceded districts from Madras it has only been allotted one seat in the Council of State by rotation. Assam, with a voting strength of 304, also gets a seat in the Council of State. There is also for Assam one Muhammadan seat alternately for a voting strength of 71. In the Rules under the Constitution Act, it is provided that the Governor General in Council can raise the number of seats to any number. If he is pleased to do so, the seats thus obtained may be redistributed among the provinces so that no province is debarred from getting its due share of representation in this Council. Or alternatively, if it is not possible, I believe it will be

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possible and easy even now to split the plural member constituencies, as the Governor General has done in the previous case, in such a manner that Orissa might get a permanent representation in this Council.

Sir, I move.

THE HON. THE PRESIDENT : Discussion will now proceed both on the Resolution and the amendment simultaneously.

THE HON. SIR MAHOMED USMAN (Leader of the House) : Sir, I should like at an early stage to define the position of Government. My Hon. friend Mr. Motilal in his usual eloquent manner, in accusing the Government, said that nothing has been done, although so many world events have happened after the Resolution on the same subject which he moved last year. He said Germany has been defeated, Japan has collapsed, but still we continue in the same manner. But he has forgotten one important event, that is, that Congress and the Muslim League have not come together. If that had happened, things would have been quite different today.

THE HON. MR. G. S. MOTILAL : Can you not change it ?

THE HON. SIR MAHOMED USMAN : It is in your hands. That is what I wanted to tell you. You had the opportunity, but you did not come together.

THE HON. MR. G. S. MOTILAL : What has that got to do with raising the number of elected members ?

THE HON. THE PRESIDENT : When the Leader of the House is in possession of the House and he is addressing, you should not interfere. Whatever you have to say you should say when it is your turn to speak.

THE HON. MR. M. THIRUMALA ROW : Is it relevant to talk about the Congress and the Muslim League with regard to the raising of the number of elected members. I want a ruling from you. It is quite irrelevant.

THE HON. THE PRESIDENT : It is perfectly relevant to the discussion to bring out that point. It is not right to bring it up in the original Resolution.

THE HON. SIR MAHOMED USMAN : All that I wanted to say was that if the Congress and the Muslim League had come together, there would have been quite a different state of affairs. I do not know why my Hon. friend should get so much flurried over the matter.

Turning to the Resolution, I doubt if my Hon. friend is really serious in moving this Resolution. The question raised has been discussed at some length just a year ago on a Resolution moved by the same Hon. Member. Government then went as far as it was possible in the circumstances to go and have secured an increase in the number of elected members by one. I then gave reasons why it was not possible to go further. Increasing the number of elected members is not so simple as my Hon. friend seems to imagine. The existing constituencies have been devised after a great deal of deliberation and careful weighing of the respective, and often conflicting, claims not only of different territorial divisions but also of different communities and interests. If the number of elected members were to be increased as recommended in this Resolution, the question will necessarily arise as to how the additional seats should be distributed. This in its turn will involve a re-examination of the whole question of the distribution of elected seats and the delimitation of constituencies. My Hon. friend has not even made an attempt to suggest how this intricate question should be solved. Does he suggest that the additional seats proposed to be created should be allotted at the sweet will and pleasure of Government to any of the existing constituencies or to new constituencies to be created for the purpose ? If my Hon. friend cares to inquire into the history of the creation and delimitation of the existing constituencies,

he will realise how complex and difficult the problem is. It is on the face of it out of the question to secure a fair and equitable distribution of the elected seats proposed to be created before the next elections which, as the Hon. Members are aware, will shortly take place. And yet my Hon. friend has the boldness to ask this Hon. House to recommend that if the impossible is not achieved in the next few months, this Chamber should be abolished.

Apart from these considerations, it is, if I may say so, rather odd that this relatively minor issue should be raised at a time when the entire question of the future constitution of India is in the melting pot. What should be the constitution of the Chamber indeed whether this Chamber should be retained or abolished is but a part—and a comparatively minor part—of the question which now faces India.

Turning to the amendment moved by the Hon. Mr. N. K. Das, all I need say is that it serves to illustrate the difficulties to which I have just referred. My Hon. friend wants, in the first place, that the plural member constituencies be split up and, in the second place, that the seats be so redistributed that each Province gets its *due* share. As for the first part, the plural member constituencies were formed in deference to the wishes of the people concerned and the persons constituting the electorates may conceivably have different views on the question of splitting up the constituency. As for the second part, the whole difficulty of the situation is summed up in the words "due share". How can the due share of each Province be determined without undertaking an elaborate inquiry into the claims of various conflicting interests as was done before the present constituencies were formed? We are thus brought back to the impossibility of accomplishing what my Hon. friend the Mover of the Resolution wants peremptorily to be accomplished before the next elections to the Council of State.

I therefore oppose the Resolution and its amendment.

THE HON. MR. M. THIRUMALA ROW: On a point of information. I request some enlightenment to be thrown on the other alternative of abolishing this Chamber. Government have not said anything about it.

THE HON. SIR MAHOMED USMAN: In the course of my speech I said "My Hon. friend has the boldness to ask this Hon. House to recommend that if the impossible is not achieved in the next few months, this Chamber should be abolished". I have already dealt with the point.

THE HON. SIR RAMUNNI MENON (Nominated Non-Official): I do not think I have very much to add to what the Leader of the House has said on this subject because all the points that I wished to traverse have already been covered by him to a very large extent. I would like to specially mention the inopportune moment that has been proposed for amending the constitution of the Council in this Motion; and secondly the method by which the Mover has sought to bring about the revision of the Act, namely the method of piecemeal legislation which at all times is open to very grave criticism. The third point to which I wish to refer relates to the substance of the Motion and the amendment. The question has been raised that the multiple-member constituencies should be split up. Most Members seem to have overlooked the fact that the principle underlying the framing of multiple-member constituencies is the safeguarding of the interests of minorities. It is only through a plural-member constituency that any considerable minority has a fair chance of being represented in the legislature. If that principle is given up as it would be under the amendment, it will be an extremely retrograde step. I therefore hope that taking all these points into consideration both the motion and the amendment will be rejected. I have nothing more to say.

THE HON. MR. M. N. DALAL (Bombay: Non-Muhammadan): Both sides of the House—the elected Members and the nominated Members—have put forward their claims with well marshalled facts but before this Resolution goes to the vote I should like to make my attitude clear. As an elected Member I am in entire agreement with the first part of Mr. Motilal's Resolution that the number of elected

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Members should be increased but I am not in agreement with the second part of this Resolution as worded which says that failing to increase the number of elected Members to 40 the House should be abolished.

Mr. President, it is not often realised that the Council of State has a coequal authority—and powers of supervision over the administration with the Legislative Assembly.

AN HON. MEMBER: Really!

THE HON. MR. M. N. DALAL: Of course it has. We are going to have, Sir, in the course of a few months a Constituent Assembly consisting only of elected representatives of the people, wherein we can redress our just grievances in a statesmanlike spirit. At the present moment, the whole world in general, and India in particular, is passing through a critical period of renaissance unprecedented in the history of the world. It is at such supreme moments that the fate of nations is made and the representatives of the people play not an unimportant part in shaping the destiny of their country. Therefore Sir, if at this stage it is the intention of the Hon. the Mover of the Resolution to abolish the House failing to increase the number of elected Members, all I can say is that he is wanting to kill the goose that lays the golden eggs.

Coming, Sir, to the amendments of my Hon. friend Mr. N. K. Das, I am in agreement with his amendments. They are consequential, except amendment (iii) which raises a question of substantial issue. The Hon. the Mover of the amendment I think—if I read aright the wording of the amendment—does not want to include the words, or rather he wants to omit the words "before the next general election". He wants after the words "raised to forty" to be inserted:—

"and the plural member constituencies be so split up and the seats redistributed among provinces in such a manner so that each separate province gets its due share of representation",

Therefore, he suggests the omission of the words "before the next general election," thereby, Sir, limiting the scope of his Resolution to an indefinite period. Again, he suggests in amendment (iii) the splitting up of plural member constituencies. Now, how is this possible for a plural-member constituency like Bombay Presidency (Non-Muhammadan) I cannot foresee. The proportion of voters in Bombay city to Bombay districts at the last general election was in the ratio of 1: 2; today it is in the ratio of 3 : 2 Sir, with a varying number of voters in different zones at different times I think it is not possible to allocate a fair distribution of seats. Therefore, Sir, I suggest we rather stick on to our present system of plural-member constituencies.

THE HON. MR. M. THIRUMALA ROW (Madras: Non-Muhammadan): Sir, I rise to support this Resolution with a greater emphasis on the latter part of it than on the former part, because I am sure the Government will never give up a weapon which it has very effectively used all these years to entrench itself and carry on its reactionary policies. Now, we are facing an election and the mouth-piece of the Government, the Leader of the House—of course, he has no alternative but to carry out the policy of the Government—has refused to increase the elected element of this House. I think with 26 nominated Members the Government has been accustomed to enjoy a sort of advantage or weightage and power which it cannot easily give up by increasing the elected element. I know what havoc Government has been playing with the elected members of this House and one should be ashamed to go over the past record of this House. When the whole country has been in trouble and tribulation this House has been made the handmaid of reaction. Last year I told you that the earlier such a house goes the better for this country and Britain. Let them not pose that they are carrying a sort of elected parliamentary procedure in this country by merely showing a facade and carrying on their usual autocratic methods behind it. I can understand that a Constituent Assembly is coming into existence. They are going to revise the constitution of this country but who can say what is going to happen with regard to the deep political divisions that have been created in this country—thanks to the British Government—and how long it will take for a Constituent Assembly first to come in to being and, after it has come

into existence how long it will take to shape and hammer out a constitution that is acceptable to all the sections of the people. It is impossible to say or predict how long it will take. There are countries under the aegis of the British Empire which have taken 10 or 12 years and for certain sections to come into operation 16 years before their constitutions took final shape and therefore once this election takes place some time this year—either in August or September or November ; whatever that may be—this House will have a life of 5 years. What my Hon. friend Mr. G. S. Motilal wants is to put an end to this sorry, bitter spectacle when not a single non-official motion has been carried in this House for the last fifteen years.

THE HON. SIR DAVID DEVADOSS : It has been carried. You do not know.

THE HON. MR. M. THIRUMALA ROW : It has been carried only once—by a snatch vote. That has been the only one occasion which was referred to by my Hon. friend Mr. Hossain Imam in discussions last year. Mr. Hossain Imam referred to it last year ; he said that in the lifetime of this House only one motion has been accepted by the non-officials. That is a most shameful record for this House, and it deserves condemnation, and it should go. I will just refer to a small item of news published by the Free Press News Agency to show what respect the people outside have for this House. The letter that has been circulated asking for the postponement of elections to this House has been characterised as a petition submitted by members. It is called a memorial. I will not quote the message, I will just refer to it. The news agency says that the Upper House counts for very little in the country. When the Government cares very little for this House, why should the people care for this House ? There is a story. A husband was chiding his wife every day and calling her stupid, a dunce, a rascal. A beggar who came for alms heard this, and he too started abusing the lady. Because the husband was abusing her, the beggar who came for alms also started abusing her. He called her stupid and a dunce if she did not give him alms. Is it surprising that the people outside have no regard for this House when this Government itself has no regard for its own creation ?

THE HON. SIR MAHOMED USMAN : I must correct this impression. It is not correct to say that Government have no regard for this House. Government have the greatest respect for this House.

THE HON. MR. M. THIRUMALA ROW : I know it is empty respect which does not mean anything. It is not inherent. Ordinary courtesies like saying good morning and shaking hands cannot be called regard for this House or respect of the opinions which are expressed in this House. Show me one non-official Resolution which has been accepted by the Government and acted upon. Give me facts and figures and prove that the Government have regard for this House and for the opinions expressed here. However well intentioned, however good the Resolution may be, it is never accepted by the Government. That is the sorry spectacle that we see today in this House. The dice is loaded to such an extent that you are obsessed with your own power and never care for the opinion of this House, however moderately and reasonably presented by my Hon. friends from the Progressive Party. We are considered as political renegades who talk language which is not respectable. But what about people who command your respect ? Why should you not publish the report which was submitted by my Hon. friend Pandit Kunzru on conditions in Malaya ? My Hon. friend Pandit Kunzru is a *persona grata* with the Government. Today I put a question, but I had no reply. What has happened to the Bretton Woods Conference ?

THE HON. MR. V. V. KALIKAR : I object to that. What does the Hon. Member mean by saying that Pandit Kunzru is a *persona grata* with the Government,

THE HON. MR. M. THIRUMALA ROW : The Government of India is an impersonal body which respects some persons, and it respects Pandit Kunzru.

THE HON. THE PRESIDENT : It is too much a personal body. It is not an impersonal body.

THE HON. MR. M. THIRUMALA ROW: I have not got as much experience as you have got; therefore I accept your verdict on it. Still, I never meant any disrespect to the Hon. Pandit Kunzru. When a person like Pandit Kunzru is respected by Government, where is the harm in it? The Hon. Member for Commonwealth Relations told us that he is one of the respected members. I respect him. I never meant any disrespect to him. My Hon. friend Mr. Kalikar may rest assured about that.

What I mean to say is this. Bretton Woods—the financial stability of this country, the 1,500 crores of sterling balances that have been accumulated to the credit of this country in England—that matter and other matters are being discussed in the other House. The Government of India have not got the courtesy even to consult this House. I bring this to your notice, Mr. President, who are the custodian and the guardian of the rights and privileges of this House. I wanted to move an adjournment motion in fact, but I do not want to make adjournment motions cheap. I take this opportunity to draw attention to this matter. When the whole of Bombay was afire, when riotings and shootings were taking place, I saw so many gilded knights from Bombay who have established a huge stake in Bombay, but none of them whether elected or nominated, have got the opportunity—I do not blame them—have got the opportunity of raising a discussion on the happenings in Bombay in this House. We want to meet once in a blue moon. We work five hours a day, and we get five days' interval, one day's rest for every hour of work. How can this House command respect, I want to know? The elected members are also tired. They were elected nine years ago. Out of 32 members, we were hardly able to present a strength of more than 15 members for any adjournment motion or in any voting on a non-official resolution. Interest is flagging. Therefore, give an opportunity to more vigorous people who will try and make use of this House, instead of having, as my Hon. friend Mr. Dalal said, golden eggs laid in this House. I do not know to whom he was referring— perhaps he is a golden egg of this House.

What I want to suggest is this. Why are you afraid of the elected element? You are already accustomed, in the other House, to having to do with elected members and facing them. Have it here also. There is no substance in the argument trotted out by the Hon. the Leader of the House. He put forward all sorts of difficulties—allocating seats, and so on. He wants another Lothian Committee. Certainly the voting strength has increased. A place like Orissa has become a separate province, but it is without representation. Assam has got representation only by rotation. Give them full representation. In Madras, for instance, the voting strength has increased from 2,500 to 5,000. Let one more seat be given to Madras. I can put forward constructive proposals from this side of the House if you are serious about it. But you do not want it. Therefore, I say, let this House be done away with before the Parliamentary Commission comes here. We are prepared to pass a sentence of hanging on ourselves. Why are you worried about it? But the hangman's noose is in your hands, therefore we have to seek your help. The sooner you end this reactionary body, the better for you and for all of us.

THE HON. MR. SURPUT SINGH (West Bengal: Non-Muhammadan): Sir, in supporting the Resolution moved by my Hon. friend Mr. Govindlal Motilal, I must say that his Resolution has not come a bit too soon. I am glad to notice that the real composition of the House reacting so long upon us as members has come to be realised now. Besides serving as a brake upon the achievements of the other House, we find that our usefulness otherwise is greatly handicapped by the very composition of the House itself. Our constituencies undoubtedly expect us to do and achieve something by ourselves in the popular cause. But I must say that whenever we try to do anything that way we get discomfited. A House where there are 26 nominated members, official and non-official, and 32 elected members all told, with perforce occasional absentees among them, cannot be expected to achieve anything by themselves from the popular point of view. There are the nominated blocs mounting guard well and firmly at all times and suffering not any occasion to go without frustrating the elected members trying to bring about any Motion, Resolution, Bill, or anything that may redound to popular credit. The

result has always been that the elected members have ever lived in an atmosphere of unreality and lack of spirit; while by established convention of the House, the Hon. Members of the nominated bloc have gone on resisting measures going against the Government. We may be here as Senators, but ours is not a deliberative body. It is a legislative body—a part and parcel of the Central Legislature and a portion of the democratic side of the Government. But the pity is that we can never go beyond our present limits in trying to achieve anything democratically. The unreality and unresponsiveness prevailing here have made us quite useless in a way. I would, therefore, move for a change for the better by way of a popular constitution of the House by bringing in more elected members. With these words, Sir, I beg to support the Resolution.

THE HON. KHAN BAHADUR KERAMAT ALI (Assam : Muhammadan) : Sir, I beg to support this Resolution, because, I think, Sir, that an injustice has been done to Assam. It may be that when Assam was called upon to elect a member by rotation, the number of voters was very small. But now, if the electoral rolls are revised, it will be found that the number of voters has increased tremendously and therefore I think that each of the Assam Non-Muhammandan constituency and the Assam Muhammadan constituency should have a separate seat. I suggest that the number of seats for Assam is increased to two. With these words, Sir, I support the Resolution.

THE HON. MR. G. S. MOTILAL : Sir, I did not go into very great detail when moving this Resolution because I had moved another Resolution in the last session and had gone into the matter in some detail. The charge of the Hon. the Leader of the House against me is that I went into the traditional way of accusing the Government for all their sins of omission and commission and that I did not acknowledge what Government had done. I plead guilty to it. But I also acknowledge the fact that the Government did exclude Sind from the province of Bombay, as was suggested in my Resolution, and gave some seats to Sind. One stock argument now with Government is that if the Muslim League and the Congress come to an agreement, they can get straightaway anything they want. On the last occasion, nothing would have been clearer. I do not know how Government are unaware of it. My Hon. friend Mr. Hossain Imam gave his wholehearted support to that Resolution which I then moved and which was substantially identical with the Resolution I am moving today except the part relating to abolition. Here, the Congress, the Muslim Leaguer, the non-attached members and the Progressive Party are all agreed but Government want to plead the kind of argument which holds no water and which has already been shattered. I do not know why the Leader of the House has not taken note of it ——

THE HON. SIR MAHOMED USMAN : May I just explain, Sir ? What I meant to say was that if the Congress and the Muslim League had only come together in the Simla Conference, things would have been quite different today. The reason why I am not prepared to accept it is that very soon, there will be another attempt made to bring both the parties together for changing the constitution.

THE HON. SIR SHANTIDAS ASKURAN (Bombay : Non-Mohammadan) : May I know if the Hon. the Leader of the House wants us to believe that on questions on which the Congress and the Muslim League are united and are of one opinoin, Government is prepared to respect it ?

THE HON. SIR MAHOMED USMAN : I did not say that. What I said was that in the Simla Conference, if the Congress and the Muslim League had only come together, things would have been quite different today.

THE HON. SIR SHANTIDAS ASKURAN : Why should not the Government accept if they come together unanimously ?

THE HON. SIR MAHOMED USMAN : I have already explained it.

THE HON. MR. G. S. MOTILAL: Sir, this interjection has not improved matters. On larger issues, my Hon. friend says that if they come to an agreement they are prepared to implement it. That will be tested. But the smaller issue, on which they are all agreed, he says, is not to be accepted. What he said comes to this, that on larger issues, on very fundamental issues, if the Congress and the Muslim League come to an agreement, they will respect it and implement their decisions. But on a small and minor issue—he rightly characterised this as a minor issue—they were not going to respect the wishes of the Congress and the Muslim League. How then can you convince any one in the country that you are prepared to go by the wishes of those two main Parties in the country on fundamental and very large issues ? This is the way to make a beginning. Where they are agreed, accept it immediately here and now and say, " We are prepared to go ahead as far as you agreed ". Sir, one difficulty was raised last year. The Hon. Leader of the House then said : " We are so much engrossed in the war and we are not so much concerned with the House or with the elections ". Now that plea is not available to them. But the plea now trotted out is this. There are difficulties in distribution of seats. Am I to understand that it is such a difficulty that Government find themselves unable to solve that difficulty ? You have already got a certain proportion. That proportion applies. No one says that proportion is to be disturbed. You can go ahead with the same proportion. Sir, I do not wish to be harsh, but I must say this, that a Government which is unable to solve such a small and minor difficulty—it is hardly fair for them to keep on sticking to their power and authority which they now enjoy. The best thing is to quit ——

THE HON. SIR MAHOMED USMAN: You come together. We are prepared to quit.

THE HON. MR. G. S. MOTILAL: I want you to make a very serious beginning, quite a small beginning, here and now. If there are many Indians in the Government and if we cannot have even this small reform, which will make me and every Member of this House have some respectable look, if you cannot do even that, then why go on and why not let us occupy your chairs ? That is going to come. It is bound to come. The difficulty is only imaginary, not real or substantial. I would remind him of a phrase which we hear used in this House and which has been recently used by a person occupying a very high position in this country. It is this : " If you have a will, there is a way ". If there is a will, this could be accepted. If with so many Indian Members on the Government this small reform cannot be carried out, that is a very sad commentary on the existing situation. Sir, the splitting up of constituencies was referred to by some Members. I had also urged it in the last session. In some provinces there are plural constituencies and they cover the whole of the province. Splitting them up will be desirable. I am in agreement with that part of the amendment of my HON. friend Mr. N. K. Das—Part (*iii*)—which urges that the plural member constituencies be so split up and the seats redistributed among provinces in such a manner as each separate province gets its due share of representation.

I have not the least objection to this part of the amendment.

THE HON. THE PRESIDENT: That cannot be done now. The amendment must be accepted as a whole or not at all, because the amendment has not been moved separately.

THE HON. MR. G. S. MOTILAL: The amendment is in several parts.

THE HON. THE PRESIDENT: It was optional on the part of the Mover to have moved each part separately.

THE HON. MR. G. S. MOTILAL: I take it that he did so under your direction.

THE HON. THE PRESIDENT: You might ask the Hon. Member if he is willing to give up his amendment altogether. He should give up his whole amendment.

If the Hon. Member is willing, I will allow him to withdraw the amendment with the permission of the House.

THE HON. MR. N. K. DAS: In fact, Sir, at the beginning I wanted to move only part (*iii*) and drop the rest. But you did not permit me to do so. All I wanted to say was that Orissa as a separate province with nearly 10 million population should have a representation.

THE HON. THE PRESIDENT: You cannot make a speech a second time Are you prepared to abandon your amendment ?

THE HON. MR. N. K. DAS: Under the circumstances, I withdraw my amendment.

THE HON. SIR N. GOPALASWAMI AYYANGAR: Can he do so without the leave of the House ?

THE HON. THE PRESIDENT: I am just putting it to the House. Is it your pleasure that leave be given to the Hon. Member to withdraw his amendment ? (*Hon. Members*: Yes.)

The amendment was, by leave of the Council, withdrawn.

THE HON. Mr. G. S. MOTILAL: The observation made by my Hon. friend from Bombay is a very relevant one. But I do not see the difficulty which he has raised. I want to be quite fair. The plural constituencies have one object — to secure representation for minorities. That is the advantage of the plural member constituencies. I do not want to glide over that aspect.

THE HON. MR. M. N. DALAL: How does that secure representation to minority communities ? Actually the number of voters of the Parsi community would be about 600 out of a total electorate of 5,000. In Bombay city only all the Parsi voters are concentrated. The statement made by the Hon. Member is not correct.

THE HON. THE PRESIDENT: The Hon. Member cannot make a speech a second time.

THE HON. MR. G. S. MOTILAL: I shall be glad to explain the position to my Hono. friend. If he will refer to the arguments and discussions and will consult some persons with more experience in this matter, he will be satisfied that plural member constituencies were constituted with the object of helping the minorities and they do help. But if it is his view that they do not help, then there is all the greater reason that the constituencies should be split up. The constituencies as they are are very inconvenient. The whole province is one constituency and three members have to seek election. I do not desire that the minorities should be prejudiced. There are other ways of providing for the interests of minorities. I have definite views on that subject. If they are provided and Government are also satisfied and the Minorities are also satisfied with regard to it, I shall not have the least objection. But where the question of minorities does not exist, there I am in agreement with the view advanced that these plural member constituencies should be split up.

The war has gone. In the last Session, the Hon. Member pleaded war. Now the war is no more an excuse. I think it would be very wise on the part of the Government to accept this Resolution and before the Constituent Assembly comes make it feel that a Chamber also——

THE HON. THE PRESIDENT: I wish to draw your attention to the fact that in order to give effect to the Resolution, it will have to go to His Majesty's Government and they will have to sent it to the House of Commons to amend the Government of India Act. Have you got the time to do so before the Constituent Assembly meets ?

THE HON. MR. G. S. MOTILAL: There is plenty of time. I am prepared to accept if Government will undertake to do it within six months.

THE HON. THE PRESIDENT : You will be delaying reforms in India.

The HON. MR. G. S. MOTILAL : It does not require an amendment of the Act. That was my contention and I am sure you have appreciated that. What is required is only change of the rules. I say, Sir, it will be wise on the part of the Government, if they want the Constituent Assembly to take a favourable view of a Second Chamber, to raise the number not to 40 but to 50, and let it understand that a Second Chamber has also some utility. I am in touch with public opinion in the country. There is a great deal of prejudice against this type of House and even a good institution will suffer. I say, Sir, that Government should accept the Resolution.

THE HON. SIR MAHOMED USMAN : My difficulty in going before His Majesty's Government for an amendment of the Government of India Act is that they will say " We are going there next month. We are tackling the bigger question. What is the meaning of your coming for small things ?"

THE HON. MR. G. S. MOTILAL : You are going to have elections. This House is very unrepresentative as it stands. I am sure the present Government, His Majesty's Government, will be glad to accord their sanction immediately you approach them.

THE HON. SIR MAHOMED USMAN : I do not think so.

THE HON. PANDIT HIRDAY NATH KUNZRU United Provinces Northern : Non-Muhammadan) : May I make a suggestion to the Hon. the Leader of the House ? I understand he finds it difficult to make a suggestion to His Majesty's Government which would involve and increase in the number of constituencies. If he is unwilling to do that, he can at any rate suggest to the Governor General in Council that the number of nominated members might be reduced. Their number is at present 26. That can be cut down to 16 without any reference to any external authority. No change in the Government of India Act is needed. No reference to His Majesty's Government is required. All that you have to do is to make up your mind to reduce the number of people whose only business is to sit behind you and vote as you order them to.

THE HON. SIR MAHOMED USMAN : That suggestion is not in the Resolution. All that I wish to say is this. We all know how sincere His Majesty's Government are. Three of the Cabinet Ministers are coming next month in order to solve the constitutional problem. That being the case, there is no point in taking up this question now.

THE HON. PANDIT HIRDAY NATH KUNZRU : How does this conflict with the solution of the constitutional problem ?

THE HON. THE PRESIDENT : Resolution moved :—

" This Council recommends to the Governor General in Council that unless the relevant rules are amended and the number of elected members in this Council raised to forty, before the next general election, His Majesty's Government be approached to abolish this Chamber. "

Question put : the Council divided :

AYES—15

Askuran, Hon. Sir Shantidas.
Ayyangar, Hon. Sir Gopalaswami.
Das, Hon. Mr. N. K.
Das, Hon. Rai Bahadur Satyendra Kumar.
Kalikar, Hon. Mr. V. V.
Kameshwar Singh of Darbhanga, Hon. Maharajadhiraja, Sir.
Keramat Ali, Hon. Khan Bahadur.
Kunzru, Hon. Pandit Hirday Nath.
Mitha, Hon. Sir Suleman Cassum Haji.
Motilal, Hon. Mr. G. S.
Muhammad Hussain, Hon. Khan Bahadur Mian Ali Baksh.
Row, Hon. Mr. Thirumala.
Roy Chowdhury, Hon. Mr. Susil Kumar.
Rup Chand, Flt.-Lieut. the Hon.
Surput Singh, Hon. Mr.

NOES-21.

Asadulla Khan Raisani, Hon. Sardar Bahadur Nawab.	Khare, Hon. Dr. N. B.
Charanjit Singh, Hon. Raja.	Khurshid Ali Khan, Hon. Nawabzada
Chinoy, Hon. Sir Rahimtoola.	Lal, Hon. Mr. Shavax A.
Das, Hon. Mr. M. L.	Mahomed Usman, Hon. Sir.
Devadoss, Hon. Sir David.	Menon, Hon. Sir Ramunni.
Ghosal, Hon. Sir Josna.	Mukherjee, Hon. Sir Satya Charan.
Griffin, Hon. Sir Arthur.	Porter, Hon. Mr. A. E.
Hissamuddin Bahadur, Brig. the Hon. Sir.	Prior, Hon. Mr. H. C.
Hutton, Lt.-Genl. Hon. Sir Thomas.	Sobha Singh, Hon. Sir
Jones, Hon. Sir Cyril.	Sukthankar, Hon. Mr. Y. N.
	Yeatts, Hon. Mr. M. W. M.

The Motion was negatived.

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 Hon. the President in the Chair.

RESOLUTION *RE* FORMATION OF TELEGU-SPEAKING AND TAMIL-SPEAKING PROVINCES

THE HON. MR. M. THIRUMALA ROW (Madras: Non-Muhammadan): Mr. President, I move:—

"This Council recommends to the Governor General in Council to urge upon His Majesty's Government to effect immediately by an Order in Council the separation of and constitution into two separate provinces the Telugu-speaking and the Tamil-speaking contiguous areas of the Madras Presidency in order to satisfy the administrative and cultural needs of the two areas, as recently announced by Sir N. Strathie, First Adviser to the Governor of Madras".

Can I move the amendment also side by side and deal with it along with the Resolution?

THE HON. THE PRESIDENT: I would inform the Hon. Member that Standing Order 58 bars the amendment. Probably the Hon. Member is not aware of it. The Resolution must contain one substantial issue. The issue brought forward before the House by this Resolution is the formation of Telugu-speaking and Tamil-speaking provinces. If the Hon Member brings in the issue of Kannada-speaking and Malayalam-speaking provinces, as he wishes to do by his amendment, it becomes substantially a different issue. I draw the Hon. Member's attention to clause (*a*) of Standing Order 58.

THE HON. MR. M. THIRUMALA ROW: But when the amendment was circulated, it had passed through all the formalities of your permission. I am caught unawares.

THE HON. THE PRESIDENT: I can understand the Hon. Member's position. Standing Order 58 provides:—

"Subject to the restrictions contained in the rules and to the provisions of these standing orders any member may move a resolution relating to a matter of general public interest:

Provided that no resolution shall be admissible which does not comply with the following conditions, namely:—

(*a*) it shall be clearly and precisely expressed and shall raise substantially one definite issue;"

One definite issue. The Hon. Member's amendment raises a different issue. I would point out to the Hon. Member that there are other non-official days, and if he gives notice of a Resolution on the subject dealt with in his present amendment, I will admit it. It will then come in as a separate Resolution for discussion. This Resolution will not bar it.

THE HON. MR. M. THIRUMALA ROW : This ruling comes as a bolt from the blue to me, because when the amendment was circulated I took it for granted that you admitted it.

THE HON. THE PRESIDENT : It was circulated by the office. But when it comes before the House, it is for me to see whether it is in order or not, and I give my ruling accordingly.

THE HON. MR. M. THIRUMALA ROW : Then, while I place the proposition substantially before the House in the terms of the Resolution, I hope you will permit me to deal with the merits of the other provinces also which form part and parcel of the Madras Presidency.

THE HON. THE PRESIDENT : He may deal with them very casually but briefly, because, as I said before you will get an opportunity of discussing the matter on a separate Resolution if you frame one.

THE HON. MR. M. THIRUMALA ROW : I do not want to be misunderstood by my friends from Karnatak and Kerala. Therefore, by way of explanation, I will mention those provinces also.

Sir, I move this Resolution, not with much hope that it will be passed by a majority vote in this House.

THE HON. THE PRESIDENT : Then why is the Hon. Member taking up the matter ?

THE HON. MR. M. THIRUMALA ROW : This is not a matter of mere academic interest either for this side, either for the mover and supporters of this Resolution or for the Government on the other side. Matters have advanced so far that the picture of Indian constitutional development is going to be re-aligned and I feel that this is an opportune moment when the Government of India must be asked to express their opinion on a concrete proposition like this which has got a history of more than a quarter of a century behind it. Sir, when the Simon Commission came and toured this country, the Andhras pressed their claim for the formation of a separate province of the 13 Telugu-speaking districts of the Madras Presidency. The Simon Commission has laid down certain conditions which are absolutely requisite for the formation of a separate province, and I shall, with your permission, read out from the report of the Simon Commission the conditions laid down by them and examine whether those conditions are satisfied by the claimants for the Andhra Province—

" If those who speak the same language form a compact and self-contained area, so situated and endowed as to be able to support its existence as a separate province, there is no doubt that the use of a common speech is a strong and natural basis for provincial individuality. But it is not the only test ; race, religion, economic interest, geographical continuity, a due balance between country and town and between coast line and interior may all be relevant factors. Most important of all perhaps for practical purposes is the largest possible measure of general agreement on the changes proposed, both on the side of the area that is gaining and on the side of the area that is losing territory."

After having gone through the volume of opinion behind this move, the Simon Commission further said :—

" With the movement for linguistic amalgamation, we shall have occasion to deal elsewhere. The demand for the formation of an Andhra or Telegu Province, which was put forward 17 years ago at a Conference of Telegu-speaking districts, has been persistent for many years and has now become an important political issue."

It has on two occasions, in recent years, become the subject of formal debate in the Madras Legislature which has, by fairly large majorities, endorsed the proposal for the constitution of a separate Andhra province.

Sir in 1927 and 1928, consecutively, the Madras Legislative Council, under the former regime, *i.e.*, under the 1918 Constitution, passed by an overwhelming majority a resolution in favour of forming the Telegu-speaking areas into a separate Province. Again, in 1938, under the stewardship of the Congress Ministry, the Madras Legislature, functioning

under the new Act of 1935, passed a unanimous resolution in favour of the formation of this Province. This resolution is worded thus :—

" This Assembly recommends to the Government that the view of this Chamber of the Legislature of Madras be communicated under section 290 of the Government of India Act 1935, to His Majesty in Council that steps may be taken as early as possible for the constitution of separate Provinces so as to place under separate autonomous Provincial administrations the areas wherein the language predominantly spoken is respectively Tamil, Telegu, Kannada and Malayalam ".

This Resolution was moved by a veteran leader of public opinion Sri Konda Venkatappayya, who was acting President of the Congress for some time, and the resoultion was accepted on behalf of the Madras Government by the then Premier, Mr. C. Rajagopalachari, who made an elaborate speech supporting the claim of the Andhras, the Tamilians, the Kannadas and the Malayalees for recognition of separate administrative existence. But the immediate issue, he said, clearly is that there was a possibility of forming the Tamil and Telugu Provinces immediately because they constituted a contiguous whole which are administratively sufficient to form separate Provinces.

THE HON. THE PFRESIDENT : When was that Resolution accepted ?

THE HON. MR. M. THIRUMALA ROW : 1938, before the Congress Ministries went out of office. Sir, their Cabinet accepted it, and it was the subject of discussion—if newspaper reports of those days are consulted—in Madras and the Governor of Madras went so far as to recommend it in a letter to the Secretary of State, and Sir S. Radhakrishnan, who was President of the Andhra Mahasabha, supported this Resolution. When he was in England he broached this topic to Lord Zetland, who was the then Secretary of State for India. Matters had come to such a state——

THE HON. THE PRESIDENT : What action did His Majesty's Government take on that ?

THE HON. MR. M. THIRUMALA ROW : This Resolution was passed in March, 1938 and when the subject was in correspondence, the Congress Governments went out of office in October, 1939. The Congress went into wilderness and there was nobody to take it up further until now, when there is a talk of Congress Ministries coming into office.

Sir, with regard to the conditions laid down by the Simon Commission, I want to give some facts and figures. The area concerned is about 67,500 square miles. The population is 17,700,000. This area is larger than C.P., Assam, the N.W.F.P., Sind or Orissa, and the population also is larger. According to the latest figures, the revenue of the Madras Government has gone up by leaps and bounds. It has the largest income in the whole of India. The revenue of the Madras Government today is about Rs. 40 crores. Out of this, nearly Rs. 19 crores of revenue is being contributed by the Telegu districts. The contiguous coast line extends over a distance of 650 miles, from Berhampore down to Madras. Country and town is very well balanced, because, out of the 82 or 83 municipalities in the Province, Andhra has got about 40 municipalities and there are nearly 25,000 villages in these 13 Andhra Districts. Coastline, balance of town and village, population, contiguity of area and the income that is being given to the Madras Province are all sufficient arguments in favour of forming a separate Province on a linguistic basis which has been conceded by the Simon Commission. The whole realignment of Provinces must be effected from this stand point. India is a conglomeration of communities, languages and races or sub-races that are carved out into inconguous Provinces. If you see the history of British rule, they have rolled up one portion after another in their arm pit as they went on subduing this country. There was no rationale, there was no principle, there was no administrative convenience, when they carved out the vast area of the whole country into the present Provinces—

THE HON. THE PRESIDENT : You don't mean to say it was intentionally done ?

THE HON. MR. M. THIRUMALA ROW: It was never intentionally done. The British never expected it, but luck has come their way and they have got hold of the whole country. Bombay has got three languages, Maharati, Gujerati and Canarese. Also Tulu and Konkani. The C.P. has got two languages, Hindustani and Maharati. The previous Bengal Province had Bihari and Bengalee. Madras has got 4 languages, Telugu, Tamil, Malayalee and Canarese. These are the main languages. Of course there is Tulu and others which have no script of their own. The administrative inconvenience is so great, Sir, that in a Legislative Assembly of 215 Members, nearly 60 to 70 members do not follow what the other side of the House is speaking. If I were to be a legislator in my Province, a knowledge of English is a compulsory condition of my being a server of the public through the Legislature. In this connection I will quote a statement by Mr. Lionel Curtis, who was a constitutional Pandit and whose lead was accepted in the formulation of the last reforms. He said that "the greatest obstacle to popular Government in India is the practice of conducting public business in English. The English educated man has become an interloper, as it were, a broker between the British Government and the Uneducated Indian.

THE HON. THE PRESIDENT: The Madras Government is against you on revenue grounds.

THE HON. MR. M. THIRUMALA ROW: No, the Madras Government is not against us.

THE HON. THE PRESIDENT: You say they will lose Rs. 19 crores of revenue.

THE HON. MR. M. THIRUMALA ROW: Rs. 40 crores is the total revenue.

THE HON. THE PRESIDENT: If it is constituted a separate Province, Madras will lose Rs. 19 crores of this revenue.

THE HON. MR. M. THIRUMALA ROW: What I wish to point out is this. If a father has Rs. 75 lakhs and divides it between 4 sons, his property will diminish. The father will never allow that state of things, and let the sons have their own independence and be masters of thier own household. Therefore the English-educated man has come into a peculiar position of vested interest. You should carry on work in your own Legislature in your own mother tongue. There are people who have carried on administrations, who have earned great names, who were great leaders of society and armies, even before the advent of the British in this country. They had no knowledge of English. Today there are people who manage vast properties worth crores and crores without knowing one word of English; and by putting such a great premium on knowing English we are doing a great injustice to the man in the street, to the man in the village, who contributes the major portion of your taxes. If the administration is to be understood, if the political development of the country is to go on unimpeded, the administration must be carried on in the language of the people. You cannot put an artificial premium on knowing the English language, which is known only to 8 or 10 per cent. of the population after 150 years of British rule in this country. That is the main consideration. If self-government is going to mean anything to this country, the administration must be carried on in the vernacular. Therefore the question of having a separate Province for Telugus, Tamils, and Kanarese, stands on firm ground. I do not know why the British Government showed such great eagerness to form Orissa into a province, to form the North West Frontier, with a population of 30 lakhs and with hardly an income of 40 lakhs—burdening the Central Government with a subvention of one crore of rupees—into a separate Province. Sind has been formed into a separate Province for political reasons, to have weightage for the British Government. The Telugus have not been given a separate Province because they are alleged to be cantankerous, or quarrelsome or independent. They did not crow-catch the Simon Commission. If we had managed to send representatives before the Statutory Commission over which Lord Linlithgow presided, to say some pleasant things, we could have got our province. Now our case is strengthened beyond doubt. Nobody can stop it. No power on earth can stop it. The Simon Commission have said that if there is such an overwhelming sense of public opinion in favour

of this Province, it must be conceded. Can the Government of India and the Leader of the Government on the other side deny that there is such an unanswerable case made and such an overwhelmingly unanimous opinion in favour of a Telugu Province a Tamil Province, a Kanarese Province and a Malayalam Province ? The Congress has done it ; it has shown the practicability of linguistic Provinces. Lord Hardinge wanted a realignment of Provinces. Lord Hardinge had noted that Bihar should be made into a separate Province because Biharese feel that as long as they are tied to the apron strings of Bengal, Bihar can never thrive. Every little office, every little place——

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY : They have taken two districts from Bengal.

THE HON. MR. M. THIRUMALA ROW : They will be given back if the case is just by the Boundary Commission for which we are asking now. Bihar was tacked on to Bengal. Today there is a quarrel going on between the Provincial Governments of Bihar and Bengal, because Bihar has passed a law of domicile Every non-Bihari should produce a certificate of domicile before he is entitled to any office or place or public recognition under the Bihar Government. There are quarrels in C.P. as everyone knows—I know the Hon. the President who hail from the C.P. knows it too well—and ministry making and ministry disruption All these things are centred round the two language groups—Hindi-speaking C.P. and Marathi-speaking C.P. Legitimate ambition should be encouraged but exploitation of language difference takes place. So, in Madras there is a difference of opinion among Telugus and Tamils. There is bound to be an honourable division of their respective areas under separate administrations.

THE HON. SIR DAVID DEVADOSS : Loaves and fishes.

THE HON. MR. M. THIRUMALA ROW : I may tell my friend Justice Devadoss if you take the old capital works, the great Mettur Project, the Pykhara scheme and all these projects which have converted Southern India into an industrial centre and added wealth to that area, they were established from money provided by the general revenues of the tax-payer, at the cost of the northern districts.

THE HON. THE PRESIDENT : On the same principle you would support Pakistan, I think ?

THE HON. MR. M. THIRUMALA ROW : It is not Pakistan, Sir. If I do not consider that English should form the perpetual language of this country, I do not think Pakistan is the question. I want my mother tongue should thrive and that my administration should go on in my mother tongue. The Government of India Act provides that all the work of the High Courts should be in English. You put that in the statute. No other language should be used. It is outrageous that a foreign language which takes 15 or 16 years of one's life to learn should be made the vehicle of administration. It is against that I am talking. I am not talking of Pakistan. Pakistan is based on religion. I am not confusing religion and economics and nationality. Therefore please do not side-track my discussion by raising the question of Pakistan.

I was answering an interjection of my freind Sir David Devadoss. They have got all the big capital works costing 15 or 20 crores from the general capital expenditure. Today if the British Government is weak, if you lost Burma and if the French Empire loses Siam, you are starving everyone for rice. Here is the river Godavari. The Indian Adviser of the Madras Government has planned a big scheme costing 60 crores which will completely make Madras self-sufficient in the matter of rice. It will irrigate 5 districts and about a crore of acres. There is again the Machkund electric scheme costing about 8 crores. The Madras and Orissa Governments have come to an understanding. That will give electric power to a vast area of 4 districts from Vizagapatam down to Bezwada and beyond. All these schemes are in the making. The northern districts were neglected ; the south has benefited at the cost of the north. I do not want to enter into details. Our case stands on a much

[Mr. M. Thirumala Row]

higher footing, on a footing of nationality, on a footing of sentiment, on administrative convenience and political integrity which will come about in a common Federation in this country. The Congress is committed to this principle. It has divided India into about 20 provinces on a linguistic basis. Our work is most efficient because we carry on our work in our vernacular. All our literature, speeches on the public platform, circulars, all reach the masses through their mother tongue. Therefore we are effective and more powerful and more influential with the masses than the foreign Government which carries on in an alien language.

The Congress has known the secret. It has incorporated in its election manifesto the division of this country on a linguistic basis. Sardar Patel presiding over the all Karnataka Unification Conference, which was opened recently in Bombay by the ex-Premier, Mr. Kher, has once more enunciated that the country requires a linguistic division if we are to contribute effectively to the administration and political development of this country. The Congress is therefore committed to this principle. All the conditions laid down by the authorities are satisfied in these four linguistic areas. The Kanarese are dismembered in four areas. They are in the South Kanara District of Madras, in Bombay, in Dharwar, Hubli, North Kanara an Belgaum Districts. They are again dismembered in Mysore State. A portion of them are also in Bellary in Madras Province. The people who are 1 crore in strength are dismembered in 5 provinces as in Orissa when Orissa was not a separate Province. Orissa was in Madras, in the Central Provinces, in Bihar and a little in Bengal. So also Kannadas are now undergoing this great difficulty. Malabar is a nation by itself. It has got Puranic existence. Their population in British India is about 40 lakhs. When Cochin with merely 15 lakhs of population and with an income of 1 crore can have a separate administration why Malabar should not have a Province of its own ?

Sir, these are the arguments in favour of the constitution of a separate Province for Malabar. Andhra area and Tamil area go separately and I see I have mentioned the name of Sir Norman Strathie in my Resolution. He is the First Advisor to the Governor of Madras. I claim to know him fairly well enough. We have been discussing many times this question. He feels that the administration of the Madras Presidency with 26 districts has become so top-heavy and cumbersome that they must have three Chief Engineers for the whole Province ; one Registrar of Co-operative Societies and two joint Registrars of Co-operative Societies to deal with the administrative problems. Now as more activities of the public life, such as food procurement and distribution pass into the hands of the Government they feel that the administration is very top-heavy, cumbersome and not efficient. Therefore, he made a public declaration at Bezwada in replying to the Municipal address that he wants the separation of the Madras Presidency into two separate units so that the separated units could be maintained with self-sufficiency and he has made the suggestion that Bezwada should be the capital of the Telugu area and Trichinopoly should be the capital of the Tamil area and Madras should remain a centrally administered Province, like Delhi, which he thinks will decide the quarrels of Tamils and telugus.

Sir, the time has come when the question has passed from the realm of mere academic discussion into one of absolute practical politics. It cannot be long resisted and I do not expect the Government to oppose it. The Provincial Government has completely supported this proposition and the whole of the people are behind it. Yesterday, the Andhra Mahasabha met at Guntur where 25,000 people were assembled and prominent people like Sir C. R. Reddi who presided were there. They passed a Resolution and told the Government that if Andhra Province is not separated in the near future they will resort to direct action. It is not a threat because it comes from a very loyal Knighted gentleman who has upheld the British under all conditions.

THE HON. THE PRESIDENT : The Hon. Member had better bring his remarks to a close.

THE HON. MR. M. THIRUMALA ROW : I am coming to a close, Sir. What I want to suggest is that I request the Government of India to bestir and see that a Boundary Commission is appointed as a preliminary to the constitutional advance of the country in the light of the talks that are going to take place. Sir, with these words, I move this Resolution.

THE HON. SIR MAHOMED USMAN (Leader of the House) : My position as regards this Resolution is the same as was stated by me in regard to the last Resolution. All that I would like to say is that the entire constitution of India is going to be placed before the constitution-making body soon and I am sure this question, along with many others, will be considered. Therefore, there is no object, I think, in Government trying to accept this Resolution at all. There is only one thing I should like to say which has been very pertinently and rightly referred to by you, Sir. According to my Hon. friend who has moved the Resolution it is a good thing—it is a virtue to divide the Madras Presidency into two divisions in order to satisfy the administrative and cultural needs of the two areas but if Mr. Jinnah says that for the administrative and cultural needs of the Mussalmans Pakistan is necessary it is a crime—a heinous crime. My Hon. friend went on saying that the Congress are committed to the policy of dividing the country on linguistic areas. The Musalmans may well say that they have made up their minds that the country should be divided into Pakistan and Hindustan. Anyhow I shall not put the official machinery against the Resolution but shall ask my official friends to leave the Resolution to be disposed of by the non-official Members.

THE HON. SIR DAVID DEVADOSS (Nominated Non-Official) : Sir, there is a history behind this demand for the division of the Andhra Province away from the Madras Presidency. Sir, as I said in a small article, all this resolves itself into the demand for loaves and fishes. I know years ago there was a demand for separating the Andhra districts from the Madras Presidency, for the Andhras—of course I call them Telugus—felt that the Tamils were having all the appointments of Engineers, Deputy Collectors and that the other officers were from the Tamil area and when they came to the High Court as clients they found only the Tamil speaking people as the leaders of the Bar. So they set up an agitation that the Andhra Province should be separated. That was about 20 or 30 years ago. Sir, luckily for them one of their members was made a Judge of the High Court; another member became an Executive Councillor here. Then the agitation quieted down for a time. Now, Sir, again it has been mooted very strongly no doubt. Everybody feels that they must have their own Province. Sir, I am in sympathy with these people. It is no use keeping them within a Province if they want to be out of it. It is like a joint family where a junior member says "I want to be out of the family : I do not want to live with you". Well, what is the use of keeping this unwilling junior member to live in the family. It is better to divide, whether it is a big property or not does not matter. Therefore, I am in sympathy with this Resolution. My only objection is how it can be done now ? The Resolution says it must be done "immediately by an Order in Council". Well that is difficult, but on the merits I think it is no use keeping these Andhra people or the Telugu-speaking people along with the Tamil-speaking people. No doubt the Province is a large one. It was not formed on any scientific basis or any basis whatsoever. As the Government at Fort St. George got a slice here and a slice there and other slices everywhere they put them under one administration. It is purely an administrative Province and not based upon anything else. Therefore, there is no harm in its being divided into separate units on linguistic basis but to say that the thing should be done now for all purposes seems to be inconsonant with reason my Hon. friends want all the proceedings in Telugu. How will that work ? Supposing, the Madras High Court gives all its decisions in Telugu and the Bombay High Court in Maharathi or Konkani whatever be the language, the Calcutta High Court in Bengali and C. P. in Urdu or Hindi whatever that may be and the Lahore High Court in Punjabi well, Sir, speaking as a lawyer, I think I must know all the languages ! If I am a practitioner—of course I have ceased to be now—I must know all the languages first if I am to rely in the decisions of the other High Courts. Therefore we must have a common language for India. For instance, speaking personally, without meaning anything if you, Sir, will allow

[Sir David Devadoss]

a personal allusion but for the English language I would not be here. English is the common language of India. We must have a common language for India. Whether you are going to have Hindustani or any other language, it does not matter, we must have one common language. As regards each particular province, it may have its own language for ordinary purposes, but for purposes of commerce and industry and a number of other purposes you must have a common language, and my own opinion is that English is the best, because all the important books are in English, all the scientific books are in English—(*Interruption*)—not because of the English people: we need not hate the language because of the English people. I say it is a language which will give us an opportunity of knowing the world, of knowing the scientific progress of the world, and so on. Therefore, we need not quarrel about that now.

What I say is that it is proper that India should be divided into a number of provinces. But on one condition. Take, for instance, Madras. Madras is divided into four territories: Tamil, Telugu, Malayalam and Kanarese. But the question is, what about the overhead charges? My submission is that the Governor should not be paid more than Rs. 3,000 and the High Court Judges more than Rs. 1,500 and the District Magistrates more than Rs. 1,000; and the other public servants should be paid in the same ratio. No doubt the Civil Service would strongly object, and our own Indian friends will object, because all want high salaries, all want loaves and fishes. Why do they want Andhra separated? They want a High Court there. If you are going to have a High Court and a dozen or so High Court Judges, how will you be able to meet the cost? Therefore, we cannot have the present scales of pay. I am not suggesting this today. If I may mention it as a personal matter, I wrote an article two years ago which was published in Diwan Chand's "Political Information" in March or April, 1944, and in that article I advocated the same thing.

THE HON. SIR MAHOMED USMAN: But the Hon. Member did draw a salary of Rs. 4,000 as a High Court Judge for a number of years.

THE HON. SIR DAVID DEVADOSS: So is the Hon. Member drawing his Rs. 6,000 and odd. But if you divide India into 50 or 60 provinces, you cannot afford to have a Governor on Rs. 10,000 with a sumptuary allowance of Rs. 1,10,000 a year. Take, for instance, the Indian States; they do not pay their Collectors and their Judges so much. Take Malaya and other colonies; they do not pay their servants anything like it. If you want to achieve something practicable, you will have to reduce the pay of the services.

Another point is that the intelligentsia of India always look to Government appointments. The moment a boy is put into school, his parents start thinking: "What will he do? Will he rise to be a High Court Judge, or will he be a Member of Council, or will he become an engineer, and so on. That is the position. The best part of the people, and the intelligent portion of the people, want Government service. What for? Because of the loaves and fishes. I say, if you reduce the salaries, the position will be different. Take the Madras Presidency. The income is about Rs. 40 crores. We have got 26 districts. When you have got only four districts in a province, you cannot afford to have High Court Judges on Rs. 4,000; you cannot afford to have 15 High Court Judges each drawing Rs. 4,000 in such a small province. Take Malabar, for instance: that province would have only two districts. What I say, therefore, is that there is no objection to the division, provided the Government will allow the salaries to be reduced.

The Civil Service is in a peculiar position. It will not allow anybody to have its salaries reduced suddenly. It will take time for a provision like that to be made. But if a provision on those lines is made, I am in favour of dividing India into so many provinces. We will have a Federation, as in the case of the United States of America. The United States of America has got 48 States. If the Caribbean States are included, it will be 50. Why not have 30 provinces in India? It will be a Federation. Everybody will be satisfied. I think the idea of Pakistan will be given up in that case. I mentioned that in my article: I said that all this trouble is due to hungering after the loaves and fishes. That is exactly what was stated by

a member —Mr. A. R. Siddiqui—in the other House.If you do not hanker after these loaves and fishes, things will be all right.

What I say is this. This is not the time to do it. It cannot be done at once. But on principle I think this ought to be done, provided, of course,—and this is the proviso about which I am particular -the salaries are reduced considerably so that each Government may be able to pay its way.

One thing only I want to say. My Hon. friend said that the Tamil people were benefited at the expense of the Telugu people. That is quite wrong. They have got an extensive irrigation project called the Dawaleswaram project which was constructed only at our expense. At Bezwada the Krishna river has been dammed and a number of districts have been benefited by the two projects- in the south, west and east. My Hon. friend forgets that. In South India there have been a number of big projects within the last 60 years. We want a number of projects like that—like Periyar, Mettur and so on. All the rivers must be dammed and water must be collected so that the water may be used for irrigation purposes and also for the purpose of manufacturing a number of things, including electricity. You may have water-power. Years ago, I may mention for the information of the House, the first English company which worked with water-power was at Ambasamudram. I believe that was opened in 1884 or 1885, purely with water-power, not by converting it into electricity. Directly with water-power a cotton mill was being worked—I think it was Harvey's called Papanasam mills. The Tamil people were more enterprising than our Andhra friends. They were more enterprising and started a number of industries. No doubt some succeeded and some did not succeed. However, all that is beside the point. What I want to submit, and submit with all the emphasis at my command, is that the services should not be paid anything like what the services are getting now. If that is acceded to, I am in favour of having as many provinces as possible—as many as there are languages.

THE HON. SIR N. GOPALASWAMI AYYANGAR (Madras : Non-Muhammadan) Sir, I also happen to come from Madras Province. I desire to say a few words on this Resolution. As regards the substance of it, there can be no difference of opinion. If there is one area in India which is not already a separate province but which deserves to be a separate province, it is the Telugu speaking area of the Madras Presidency. I therefore do not contest the position that a separate Andhra Province should be formed, carved out of the present Madras Presidency.

But I think there is some point which at the present juncture we ought to take note of. My Hon. friend, Sir David Devadoss, referred to that particular point but did not elaborate it to the extent that I think it deserves to be elaborated, and that is this. Are we going to insist that this Andhra Province should be carved out and established here and now? That is a point which is worth consideration. The Congress as an organisation is already committed to a separate Andhra Province. But, if I have followed the pronouncements of leaders of that organisation, I rather think that they would not precipitate this issue before power has been transferred to the people of India. If I have judged their pronouncements aright, that, I think, is their present attitude. I know that in the Congress election manifesto it is said that the Congress stands for the re-grouping of provinces on a linguistic and cultural basis. But that is only a general statement. If I remember aright, Sir—probably the Hon. Mr. Thirumala Row will correct me if I am wrong—the representative of Andhradesa on the Congress Working Committee himself said quite recently that almost the first thing that a National Government, after it came into power under a new constitution, would undertake would be the re-grouping of Provinces on a linguistic basis, and I think the Andhra Province was amongst the Provinces he had in contemplation. The point is simply this. We have a Commission coming out to this country within the next few days. They are coming here after having made the declaration that they propose to take steps, adequate and sufficient, for the purpose of the transfer of power from Britain to India. They are coming here to smoothen the difficulties which now stand in the way of the framing of a constitution which would provide for this transfer of power. We want this transfer of power as early as possible. Are we going to delay the transfer of power to the people of this country by taking up the detailed investigation of the delimitation of the areas which would

[Sir N. Gopalaswami Ayyangar.]

go into the linguistic Provinces of the future ? That, I think, Sir, has exercised the minds of many people who have had to address themselves to this question and if I may mention one particular consideration in this connection it is this. The question of the framing of the new constitution is itself one which would occupy quite a large amount of time. We have got first to decide the lines on which it should be framed. We have then to frame the constitution. If we are going to delay the framing of the constitution until we have decided the number of new Provinces on a linguistic basis which would have to be brought into existence in this country, we shall not have this new constitution for the next 5 or 6 years probably. I think, Sir, it is the path of wisdom that we should exercise a little patience. The Andhras have waited, I know, for quite a number of years. They could certainly wait for another year or two, until power is transferred, and then let the new Government, which will be more representative of the people than the present Government, tackle problems of this sort. Let our new constitution provide the procedure under which such redistribution of Provinces could be made in the future. According to that procedure let the division be made, after we have acquired power in this country. That is the only thing I wish to say, Sir.

I might, in this connection, refer to a recommendation which was made by a Committee of which I was also a member. I am referring to the Sapru Committee. This is their recommendation in regard to this particular matter. They said :—

"While it is not desirable that the new constitution should be delayed by the realignment of provincial boundaries on linguistic or cultural considerations, the Constitution Act shall indicate the machinery and prescribe the procedure for such realignment of old Provinces and for the creation of new Provinces. After it has come into force and on such realignment or creation of Provinces, all consequential amendments may be made in the constitution."

My only anxiety is that this transfer of power from Britain to India should precede the realignment of Provinces on a linguistic basis. Subject to that, Sir, I accord my full support to the substance of this Resolution.

THE HON. MR. G. S. MOTILAL (Bombay : Non-Muhammadan) : Sir, the Members who hail from Madras are more conversant with this subject than I am. So I have listened to their speeches with great attention and I find a consensus of opinion. They are more or less agreed on the principle. The principle enunciated in the Resolution is one which has their approval and support. But their anxiety is that this Resolution should not in any way delay the transfer of power from Britain to the people of India. There is nothing further from my mind or, as far as I know, from the mind of the Hon. Member who has moved this Resolution. He is more anxious than any one else and as anxious as every one of us that the transfer of power should come first and the problem should be dealt with by ourselves. He has pointed out that a Resolution was adopted by the Madras Assembly under the procedure laid down in the Government of India Act, and that Resolution accorded its support and approval to this principle. The Resolution was carried. The Hon. Sir David Devadoss referred to this problem as a question of division of loaves and fishes. I think, Sir, it is something much more than that. If it was a question of division of loaves and fishes, very many Members in this House or in the other place, would not have accorded their support to it. If there is an area which can be self-supporting economically, and there are certain facilities, and if they want to form an autonomous province of their own, that has been the principle accepted for a long time. The question of Pakistan stands on a different footing. That is very well known to the Hon. the Leader of the House. But, as the Provinces are situated today, they are, as is admitted, not based on any real principle. They are a growth of history. It would be of interest to the country to appoint a Boundary Commission, which probably the National Government will do, to find out a realignment of the Provinces, where the people speaking one language and having one creed or belonging to one group may live together, speaking the same language and carrying on the administration also in the same language. I quite see the point of view raised by Sir David Devadoss. You do require a common language. I stand for a common language as much as any individual Member

in this House does. I feel strongly about it. But I do also feel that English is not a very suitable common language for a long time for India. It is only for a very short time. If Indians can learn and understand English and talk as we do, there is no reason why we of the north should not learn some of the languages of the South like Telugu and Tamil, and why people in the south should not learn Hindi and Urdu. Even now there are so many people who understand these languages when they come into contact with people or live in those areas. For instance, in Hyderabad there are lots of people who understand and speak Telugu, though their mother tongue is not Telugu. Similarly there are people coming from the Telugu portions who can speak Hindustani and my Hon. friend is a living example of that. We have to carry on the business of the Legislatures in the English language, while we all find difficulty in expressing ourselves as fluently as we could do in our own languages.

These are questions which do deserve consideration; and if a Boundary Commission is to be appointed, it can only be appointed by a National Government when it comes into power if nothing comes in its way or delays it. But the Boundary Commission will consider a number of other questions also. This question has been considered in that Province and support has been given to the Resolution. As long ago as 1907 no less a person than Lokamanya Tilak supported the principle to which this Resolution refers. This Resolution does deserve very serious consideration.

THE HON. MR. V. V. KALIKAR (Central Provinces: General): I had no desire to take part in the debate on this Resolution; but as my friend has referred to the disruption of Ministries in the C. P., I am constrained to make some observations.

THE HON. MR. M. THIRUMALA ROW: That was not my main argument.

THE HON. MR. V. V. KALIKAR: He advanced the argument that in the C. P. Ministries were disrupted simply because the C. P. consists of Hindi-speaking and Mahrathi-speaking portions, and therefore I must make the position of my province clear. I must also state something about the general principle underlying the Resolution. I am of opinion that the realignment of provinces or creation of new provinces on a linguistic basis is a very very wide question. This question has been discussed in the various Legislatures. This point has been debated so many times. But I think we should not dabble in this large question at this moment, because I personally think that when Britain is thinking of handing over power to India, all these questions will have to be examined and decided by the constitution-making body. If the constitution-making body comes into power soon, they will have to appoint a Boundary Commission or a Delimitation Committee and I should rather prefer that these questions should be examined by these Committees rather than by this House. My friend referred to the disruption of Ministries in the C. P. So far as the disruption of Ministries in the Congress regime is concerned, I think my friend can speak more authoritatively than myself. I had the privilege of being a member of the Local Council for 5 years, and when I was a member of the Council there was a disruption of Ministry; but that did not occur because of loaves and fishes. You know, Sir, that when the first Ministry was set up in C. P. consisting of Messrs. Kelkar and Chitnavis, that Ministry continued for the whole period. When the Raghavendra Rao Ministry was formed, it was disrupted on account of political differences and not on account of loaves and fishes.

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[Mr. V. V. Kalikar.]

and if the Madras Government think that Madras should be divided into 3 or 4 provinces, that is a question not only for Madras, but for all-India, because it has got an all-India aspect, and one has to look at the question from an all-India point of view. If my friend looks at this question from an all-India point of view, then I would request him to wait for a period of a year or two, to wait till the constitution-making body is appointed and let this question be examined and decided by them. One may agree with him in principle or some may have honest difference of opinion, but there is no doubt that the question deserves examination. I do not think that this is the proper forum where he can discuss this question and get a verdict on it in this House. I therefore request him to wait for a period of 2 or 3 years more.

THE HON. MR. M. THIRUMALA ROW: Mr. President, Sir, I feel grateful for the sympathy that has been shown in this House for a cause that is nearly 30 years old and is in the throes of anguish for fulfilment. There is a good deal of agitation of a vast population behind this. What I want to tell the elected as well as the nominated section of this House is to disabuse their minds of any idea that I am simply rushing it through, but the time has come for it. I have listened to the speech of Sir David Devadoss and Sir N. Gopalaswami Ayyangar and I claim to have read the report of the Sapru Committee also. All that I want to say is this. If the new Executive Council at the Centre is going to be formed in the next two or three months or very soon some time after the advent of the British Parliamentary Mission here, then this Resolution would strengthen their hands, would give them an opportunity to review the whole position and try to hasten the formation of a Boundary Commission. Sir Gopalaswami Ayyangar has referred to a statement issued by the Andhra member of the Congress Working Committee and I claim to know his mind too and I had talks with Congress Leaders who are responsible and who are in very high places, and I can say that their minds too are working in the direction of giving effect to these proposals as early as possible. They have made public statements to that effect. Therefore, if this House accepts this Resolution *in toto* it does not mean that it is going to hasten or shackle the freedom of the Government of India that is coming into existence very soon. I do not mean that. All that I mean to say is that this proposal has also got the fullest moral as well as the constitutional support of the members of this House. That is what I want from you. I do not want to go into the question whether it is a matter of loaves and fishes or of big men or small men. We have got eminent lawyers like Sir B. N. Sharma, Sir Vepa Ramesam and last but not least T. Prakasam who has sent four or five members from his chamber to the High Court Bench. Therefore, it is not a question of competition or jealousy or any such thing.

I am sorry my Hon. friend Mr. Kalikar entirely misunderstood me. I really did not want that he should have had to contradict or to explain the situation in C. P. It is linguistic combinations which are some-what incongruent, if not entirely contradictory, which create situations and where rivalry for power is natural. Therefore, one group wants to have the Preimershhip or the say in the matter of the administration of the Province once and the other group wants it another time. I only mentioned it as a cause, not to hold it to derision or anything like that. Therefore I would request him not to have the idea that I wanted to criticise the situation. I only wanted to point out that when there is a homogeneous group in an administration, of one language and one area, they will be subjected to greater control of public opinion. I would therefore request you all, now that once in our lifetime we have got from the Government the decision that they are going to remain neutral, to support my Resolution.

THE HON. THE PRESIDENT: Perhaps you are not aware that on previous occasions too the Government have asked their members to remain neutral.

THE HON. SIR DAVID DEVADOSS: Several.

THE HON. MR. M. THIRUMALA ROW: Well I am trying to take full advantage of their generosity if that is such. Therefore, I request the House to adopt this Resolution. It will only be the opinion expressed by this House. It is the Government, that is either the present Government or the Government that comes into existence according to the professions of the British authorities, that will take due notice of the opinion of this House. I would therefore request you all to allow this Resolution to be passed.

With these words, Sir, I resume my seat.

THE HON. THE PRESIDENT: It is not necessary to read the Resolution again. I therefore put it to the vote of the Council.

The Motion was adopted.

THE HON. THE PRESIDENT (to the Hon. Mr. M. Thirumala Row): I am going to adjourn the House at this stage but tomorrow your Adjournment Motion will be moved in the afternoon. I will give you the time tomorrow.

THE HON. MR. M. THIRUMALA ROW: (Madras: Non-Muhammadan): Can you tell me the time now, Sir?

THE HON. THE PRESIDENT: It is impossible for me to tell the time just now. The Budget will be presented tomorrow at 5 P. M. and I will give you such time that the discussion on your Adjournment Motion will be finished before 5 P. M. in any case.

The Council then adjourned till Eleven of the Clock on Thursday, the 28th February, 1946.

THE

COUNCIL OF STATE DEBATES

OFFICIAL REPORT OF THE NINETEENTH SESSION OF THE FOURTH COUNCIL OF STATE

VOLUME V—1946

COUNCIL OF STATE

Thursday, 28th February, 1946

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

QUESTIONS AND ANSWERS

DETENTION OF RANA BIRPAL SINGH OF BHAJJI STATE.

91. THE HON. RAJA YUVERAJ DUTTA SINGH : Is it a fact that Rana Birpal Singh of Bhajji State (Simla Hills) is under detention under Bengal State Prisoners Regulation III of 1818, and is confined in Lahore Mental Hospital ? For what offence has he been detained ; since when and what opportunity has been given to him to meet the charges ?

THE HON. MR. A. E. PORTER : Yes ; the ex-Rana of Bhajji has been detained since September 1940 for reasons of State, being reasons connected with the discharge of the functions of the Crown in its relations with Indian States. He can make any representation he likes to Government, and he has also had the opportunity of appearing personally and representing his case before the Lahore High Court and the Federal Court.

THE HON. MR. N. K. DAS : May I ask if Government have satisfied themselves that the ex-Rana of Bhajji is really mentally deranged ?

THE HON. MR. A. E. PORTER : Yes, Sir.

THE HON. PANDIT HIRDAY NATH KUNZRU : How long has he been in detention ?

THE HON. MR. A. E. PORTER : Since about June, 1940.

DETENTION OF STEFAN POLAK.

92. THE HON. RAJA YUVERAJ DUTTA SINGH : (a) Is it a fact that one Stefan Polak, a Czech, who is said to have fought on the Republican side in the Spanish Civil War fled to India in 1941 from the Balkans and is kept in detention in an internment camp at Dehra Dun ?

(b) Will Government make a statement relating to his activities, and the circumstances of his detention, as well as the period for which he is likely to be detained ?

(c) Is it a fact that the Czechoslovak authorities have been endeavouring to secure his release ever since ?

THE HON. MR. A. E. PORTER : (a) Yes.

(b) Stephen Polak came to India in 1941 from the Balkans with a forged Canadian passport and under a false name. Subsequently further circumstances came to light which raised suspicions of pro-enemy activities on his part. It was, therefore, decided to intern him. Now that hostilities are over, he will be repatriated but it is not proposed to release him in India pending his repatriation.

(c) There has been correspondence with the Czechoslovak Consul who addressed Government on the subject in December 1943 and subsequently in July 1945.

DESTITUTE INDIAN LABOURERS IN MALACCA.

93. THE HON. RAJA YUVERAJ DUTTA SINGH : (a) Are Government aware that about 15,000 destitute Indian labourers in Malacca are under nourished and urgently need clothing and food ?

(b) Is there any representative of India in Malacca ?

(c) Will Government state what they have done to relieve the sufferings of the Indians there ?

THE HON. DR. N. B. KHARE : (a), (b) and (c). Government of India's information is that there are approximately 4,000 Indians in all in Malacca. Malacca is a part of Malaya and there is a representative of the Government of India in Malaya. A small proportion of the Indians in Malacca are said to be destitutes and these are now in relief camps run by the British Military Administration. The regional welfare committee also issues cash relief, clothing and rations. The Government of India's newly appointed Welfare Officer has been asked to cover this area to supplement these relief measures.

TRIAL OF I. N. A. PERSONNEL

94. THE HON. RAJA YUVERAJ DUTTA SINGH : Will Government state what approximately will be the cost of all the Court Martial trials of I.N.A. personnel held and contemplated to be held in India, indicating separately the salaries of the personnel of the Courts, the fees of the prosecuting lawyers, and other expenses ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : Up to the end of last month the expenditure on counsel and stenographers was approximately 70,000 rupees. For the rest, the members of the Courts-Martial and most of the witnesses are military persons and almost all use Service transport which carries other people as well. The extra cost of the trials on account of the witnesses is therefore small ; to work out actuarially the proportionate cost would involve an expenditure of time and labour which would be incommensurate with the value of the results.

SHOOTING OF I. N. A. PERSONNEL.

95. THE HON. RAJA YUVERAJ DUTTA SINGH : (a) Is it a fact that on or about the 25th September last at about 10 P.M. five members of the I. N. A. were shot dead and nine others wounded under orders of the commandant in the detention Camp at Nilgunj, 20 miles from Calcutta ? Will Government make a full statement on the subject detailing the circumstances of the occurrence, the reasons for firing, the names and Provinces to which those killed and wounded belonged, and the steps taken in that connection ?

(b) Was any enquiry made ; if so, by whom ? Will a copy of the enquiry report be laid on the table ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : (a) Five civilian internees were killed and nine wounded, at the Nilganj Camp on the 25th September last. The trouble arose when a cage of prisoners refused to obey orders, shouted insults and abuse and finally became menacing. As regards the names of those killed and wounded, I lay a statement on the table.

(b) The incident was the subject of a court of enquiry which found that the officer concerned was responsible for the use of more than the minimum of force that was necessary. This officer was subsequently tried by court martial and has been convicted and sentenced to five years rigorous imprisonment. The proceedings of the court of enquiry cannot be published.

List of persons killed and injured in the Nilganj P. O. W. Camp.

Those dead :—

Names.	*Province.*
1. K. Garuppiah	Madras.
2. Karnail Singh	Punjab.
3. D. Muniappan	Madras.
4. A. Thaugaraju	Madras.
5. P. Mohd. Qasim	Madras.

Those injured :—

1. Minniang	Burma.
2. P. Suppayya.	Madras.
3. Veerapan	Madras.
4. Govinda Pillai	Madras.
5. A. Uttarapathi	Madras.
6. Murlidhar	Sind.

Those slightly hurt :—

1. Automy Sami.
2. Tiru Khanna Terat.
3. P. K. Nair.

REPORT OF BRIGADIER AMES ON BOAT-BUILDING OPERATIONS.

96. THE HON. MR. SURPUT SINGH : Will Government state :

(a) Whether an investigation on behalf of the Government of India was undertaken by Brigadier Ames into the boat-building operations of the Bengal Government ?

(b) Whether that investigation is now complete ?

(c) The main findings of that enquiry ?

(d) If the enquiry is not yet complete when is it expected to be completed ?

(e) Whether they will publish a full report of the investigation when completed ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : (a) to (e). At the request of the Government of Bengal, I placed at their disposal the services of Brigadier Ames for a period of one month in March 1945. The Bengal Government wanted someone to advise them on their project of building boats for carrying supplies for the civilian population. I understand that at the end of the month, Brig. Ames submitted a report to the Provincial Government. This report is of course not the concern of the Government of India.

ISHURDI-PABNA-SADHUGANJ RAILWAY PROJECT.

97. THE HON. RAI BAHADUR SATYENDRA KUMAR DAS : Will Government state whether they have decided to take up the Ishurdi-Pabna-Sadhuganj Railway Project in the post-war scheme in view of the various representations received from various local bodies, *viz.*, Pabna Passengers Association, Government Storing Agent. Pabna Civil Supply Syndicate, Pabna District Board and Pabna Municipality ?

THE HON. SIR ARTHUR GRIFFIN : No, Sir. This project is not in the post-war scheme of construction.

ALLOWANCES TO RELEASED SECURITY PRISONERS.

98. THE HON. RAI BAHADUR SATYENDRA KUMAR DAS : (a) Are Government aware of the fact that most of the recently released security and State prisoners are going through economic crisis since their release due to their disconnection with their source of income due to their long detention ?

(b) Is it a fact that the Government of Bengal on previous occasions sanctioned for all the prisoners detained under Bengal Ordinance an allowance up to six months after their release ?

(c) Are Government aware that the Bengal Government has not sanctioned this time any such allowance to the security and State prisoners who made requests for it ?

(d) If so, do they propose to direct all the Provincial Governments to sanction to all the security and State prisoners an allowance for six months after the date of their release so that they may by this time seek out their source of income ?

THE HON. MR. A. E. PORTER : (a) No.

(b) It is correct that in 1937 the Bengal Government sanctioned allowances for six months on compassionate grounds in some cases of persons released from detention.

(c) Yes.

(d) No.

WITHDRAWAL OF CONTROL OVER ISSUE OF CAPITAL.

99. THE HON. MR. G. S. MOTILAL : When do Government propose to withdraw control over issue of capital ?

THE HON. SIR CYRIL JONES : The question of the future of this control is under consideration.

THE HON. MR. N. K. DAS : What is the present exemption limit in respect of capital issues ? Is it Rs. 5 lakhs or more or less ?

THE HON. SIR CYRIL JONES : The exemption limit is Rs. 5 lakhs, Sir.

ISSUE OF IMPORT LICENCES.

100. THE HON. MR. G. S. MOTILAL : What are the principles governing the issue of import licenses for new industrial establishments ?

THE HON. MR. Y. N. SUKTHANKAR : I presume that the Hon. Member refers to capital equipment. The grant of import licences for such equipment depends on such factors as the source of supply, danger of over-expansion and the location of the proposed factory.

2. Where a plan is complete, as in the case of cement, or very nearly complete as in the case of cotton textiles, production targets are fixed for different regions and individual schemes approved within these targets. In such cases, import licences are granted only to those whose schemes have been approved. Where plans have not yet reached an advanced stage, import licences are freely given subject only to currency considerations except where the schemes would obviously be contrary to the country's economic interests, for example, where it is proposed to establish a factory in an area in which there is already an excessive concentration of industry.

3. Subject to the general principles stated above, licences for import from the sterling area are granted freely. Licences for import from the non-sterling area are granted only if it is proved that the equipment required or a suitable substitute therefor could not be obtained from a sterling area within a reasonable time and at a reasonable price.

THE HON. SIR SHANTIDAS ASKURAN : Are Government aware that industrial machinery has been overtaxed during the war and requires immediate replacement ?

THE HON. MR. Y. N. SUKTHANKAR : All these factors are taken into consideration when these applications are considered.

THE HON. SIR SHANTIDAS ASKURAN : Do Government realise that the issue of licences for spare parts will help the existing industry in meeting the shortage of civilian supplies manufactured in this country and, if so, will Government grant licences for the spare parts

which the manufacturing importers are asking for, for a long time, and which has not been given proper attention to ?

THE HON. MR. Y. N. SUKTHANKAR : All the relevant considerations including the one mentioned by my Hon. friend are taken into account before licences are granted.

THE HON. MR. M. THIRUMALA ROW : Is it a fact that Government encourage only those importers of capital goods who import from sterling areas ?

THE HON. MR. Y. N. SUKTHANKAR : That is not so. This has been explained fully in my reply. As I said in the last paragraph of my reply, licences for import from the sterling area are granted freely. But, in certain circumstances, licences for import from the non-sterling area are also granted.

THE HON. MR. M. THIRUMALA ROW : Are Government aware of the general feeling prevailing among commercial circles that only goods imported from the sterling area will receive favourable consideration at the hands of the Government ?

THE HON. MR. Y. N. SUKTHANKAR : That is not the case, Sir.

THE HON. MR. G. S. MOTILAL : What are those circumstances in which licences are granted for import from non-sterling areas ?

THE HON. MR. Y. N. SUKTHANKAR : As I have stated, Sir, if it is proved that the equipment required or a suitable substitute therefor could not be obtained from a sterling area within a reasonable time and at a reasonable price, then licences for import from the non-sterling area are granted.

THE HON. MR. G. S. MOTILAL : Do Government consider the reasonableness of the price or is it for the importer to consider that ?

THE HON. MR. Y. N. SUKTHANKAR : As I said, Sir, all relevant considerations are taken into account before these applications are granted.

THE HON. MR. G. S. MOTILAL : I understood the Hon. Member to say that if the prices are reasonable, then licences are granted. Who determines the price ? Do Government determine the price ?

THE HON. MR. Y. N. SUKTHANKAR : Government take into account all the information available to them at the time regarding the prices, both in the sterling area and in the non-sterling area.

THE HON. MR. G. S. MOTILAL : If the importer wants to import from a non-sterling area either because of the quality or some other consideration, why do Government refuse him a licence ?

THE HON. MR. Y. N. SUKTHANKAR : As I said, Sir, he has to prove that that is the case, and then Government consider his application favourably or unfavourably as the case may be.

THE HON. SIR SHANTIDAS ASKURAN : In the case of manufacturers or concerns who have already placed orders which have been booked and agreed to by the manufacturers, are licences granted freely to them or is there any other consideration ?

THE HON. MR. Y. N. SUKTHANKAR : I must ask for notice of that question.

THE HON. SIR SHANTIDAS ASKURAN : Perhaps the Government are aware that the price of English machinery has not risen as much as they think. There has been only 40 to 45 per cent. increase over pre-war prices. If the order has been placed by the manufacturing company from here and if it has been accepted by the manufacturers, what is the reason for delay on the part of Government ?

THE HON. MR. Y. N. SUKTHANKAR : I cannot answer a general complaint. If my Hon. friend has any concrete cases to bring to the notice of Government, they will be considered.

THE HON. SIR SHANTIDAS ASKURAN : Government are aware of so many things. They cannot say why there is this delay. Why is the Member in charge not in possession of all the facts ? This is such an important question. Machinery has suffered and the supply of the country is suffering.

THE HON. MR. Y. N. SUKTHANKAR : I am not prepared to admit any undue delay. All such applications are handled within a reasonable time, taking all the relevant factors into consideration.

THE HON. MR. M. THIRUMALA ROW : Have Government got any expert personnel to decide whether the machinery orderded from the sterling area is equal in efficiency to that ordered from the non-sterling area or *vice versa* ?

THE HON. MR. Y. N. SUKTHANKAR : Such applications are disposed of, not by the Commerce Department alone, but by a Committee consisting of representatives of the various Departments concerned.

ISSUE OF IMPORT LICENCES.

101. THE HON. MR. G. S. MOTILAL : Will Government place on the table two separate lists of persons to whom licenses for import of machinery for vegetable ghee, cement and other manufactures have been issued for extension and for new establishment ?

THE HON. MR. Y. N. SUKTHANKAR : I lay on the table lists of persons to whom licences for import of machinery for extension or new establishment of vegetable ghee and cement factories have been issued. The time and labour involved in the preparation of a statement of licences granted for machinery for all other manufactures would not be commensurate with the value of the results.

List of firms to whom licences for import of machinery for extension or new establishment of Vegetable Ghee Factories have been issued.

Serial No.	Description.	Remarks.
1	2	3
1	Indian Vegetable Products Ltd., Bombay	Extension.
2	Nawab Sir K. G. M. Faroqui (of Bengal Industries Ltd.), for Hindusthan Vegetable Products, Calcutta	New Establishment.
3	D. P. Khaitan, Calcutta, for Kusum Products Ltd., Calcutta ..	„ „
4	Hindusthan Development Corporation, Calcutta	„ „
5	Francis Klien & Co., Calcutta, for Swaika Oil Mills, Calcutta ..	

List of firms to whom licences for import of machinery for extension or new establishment of Vegetable Ghee Factories have been issued—contd.

Serial No.	Description.	Remarks.
1	2	3
6	Ali Mohammed, Dawood, Calcutta for United Vegetable Manufacturers, Calcutta	New Establishment.
7	Sudha Industries Ltd., Pjulgoan, C.P. & Berar	,, ,,
8	Mohanlal Sohanlal for Bharat Vegetable Products, Berhanpore, Orissa	,, ,,
9	Bihar Industries Ltd., Dinapore	,, ,,
10	Hasham Premji, Bombay, for (Western India Vegetable Products, Bombay)	,, ,,
11	Vegetables Ltd., Chittoor, (Mr. C. P. Sarathy Mudliar, Chittoor)	,, ,,
12	Suderson Oil Mills, Katpadi	,, ,,
13	The East Asiatic (India) Ltd., Madras	,, ,,
14	The Karnatak and Vegetable Oil and Refineries Ltd., Hospet ..	,, ,,
15	The Bharat Vanaspathi Ltd., Guntur, Madras	,, ,,
16	The Madras Vanaspathi Ltd., Villupuram, Madras	,, ,,
17	Vizagapatam Vegetable Oil Products, Bobbili, Vizagapatam ..	,, ,,
18	The Director of Industries & Commerce, Madras, for Government Kerala Soap Institute, Calicut	,, ,,
19	Hon'ble M. N. Dalal, Bombay	,, ,,
20	Abdul Hussain, Noor Mohd., Bhavnagar	,, ,,
21	Government of H. E. H. The Nizam, Hyderabad, Deccan ..	,, ,,
22	Oudh Sugar Mills, Hargaon	,, ,,
23	Cotton Agents, Bombay	,, ,,
24	(Rustomjee Nowrojee Bapasola), for Seshasayee Brothers, Trichinopoly	,, ,,
25	Francis Klien & Co. Ltd., for Snow White Food Products, Calcutta	,, ,, ,, ,,
26	Morvi Vegetable Products Ltd., Morvi	,, ,,
27	Mohatta Bros., Karachi, (Malwa Vanaspathi and Chemicals, Indore)	,, ,,
28	Rustomjee Nowrojee Bapasola for Ravindra Mulraj Kersondas, Bombay	,, ,,
29	Premier Flour Mills for Mohd. Alla Bux, Lyallpur	,, ,,
30	Delhi Cloth and General Mills Ltd., Delhi	Extension.

List of firms to whom licences for import of machinery for extension or new establishment for cement factories have been issued.

1	Rohtas Industries Ltd., Dalmianagar	New Establishment.
2	Gokaldas & Sons, Ahmedabad	,, ,,
3	Associated Cement Co., Ltd., Bombay	New Establishment & Extension.
4	G. D. Somani, Bombay, for Shri Dig Vijay Cement Co. Ltd., Navnagar	New Establishment.

ISSUE OF IMPORT LICENCES.

102. THE HON. MR. G. S. MOTILAL : Will Government state whether some members of the industrial miss'on to whom facilities have been given to tour in the U.K. and U.S.A. have placed orders for machinery ? If so, did they apply for and obtain licences for its import ? Will they place on the table a statement of such licenses issued, together with particulars of the country of origin, price of plants and time of delivery and arrival ?

THE HON. MR. Y. N. SUKTHANKAR : Government have no information but members were free to place orders for machinery during their tour in the U.K. and the U.S.A. Applications have been received from certain firms with which some of the members of the mission are known to be connected but it is not known whether the goods covered by the licences granted on their applications were ordered by the members of the industrial miss'on in the course of their tour.

In view of the answer given, the last part of the question does not arise.

THE HON. MR. G. S. MOTILAL : Did the mission submit any report to Government ?

THE HON. MR. Y. N. SUKTHANKAR : I think so, Sir. If my Hon. friend wants any particular, he will perhaps put down a quest'on.

THE HON. MR. G. S. MOTILAL : Are Government going to publish that report ?

THE HON. MR. Y. N. SUKTHANKAR : I cannot say, off-hand.

GOLD AND SILVER MARKET IN BOMBAY.

103. THE HON. MR. G. S. MOTILAL : When do Government propose to permit the gold and silver markets in Bombay to resume monthly deliveries and settlements ?

THE HON. SIR CYRIL JONES : I invite the Hon. Member's attention to the Legislative Department's notification No. 5-W.L.(2)|46, dated the 25th January 1946 by which Defence of India Rule 90C has been amended and restrictions on forward contracts in gold and silver bullion removed.

PRODUCTION OF COTTON TEXTILES.

104. THE HON. MR. G. S. MOTILAL : What percentage of cotton textiles produced in India during 12 months ending 31st December 1945 were made available for use of civilian population ? Are Government still making purchases of it, if so, for what purposes and in what quantity ? How much of it was exported during this period ?

THE HON. MR. M. W. M. YEATTS : About 81 per cent. of the cotton textile produced in India during 1945 was made available for the use of the civilian population. Government are not still making purchases of cotton textiles produced in 1945. About 600 million yards were exported during 1945.

THE HON. PANDIT HIRDAY NATH KUNZRU : The Hon. Member said that Government were not making purchases. Were they not making purchases for the Army ?

THE HON. MR. M. W. M. YEATTS : We are not making purchases of cotton textiles produced in 1945. That was the question.

THE HON. MR. M. THIRUMALA ROW : To what countries were these textiles exported and what was the obligation of the Government to export these goods outside India ?

THE HON. MR. M. W. M. YEATTS : To maintain the connections with Indian trade, to which considerable value is attached. The industry itself attach very great importance to these contacts which they have made. I do not know if you can call that an obligation. That is the general attitude. The list of countries covers practically the whole of the Indian Ocean.

THE HON. MR. M. THIRUMALA ROW : Were these goods surplus to the needs of this country during 1945 and hence enabled them to go out of this country ?

THE HON. MR. M. W. M. YEATTS : I require notice of that question.

THE HON. MR. G. S. MOTILAL : Is it not a fact that the industry has criticised Government's permitting exports of these goods ?

THE HON. MR. M. W. M. YEATTS : Not so far as I know, Sir.

MANUFACTURE OF CAPITAL GOODS.

105. THE HON. MR. G. S. MOTILAL : Will Government state whether there is any scheme for the manufacture of capital goods in this country ?

LT. GENERAL THE HON. SIR THOMAS HUTTON : An Industrial Plant and Machinery (Heavy) Panel has been set up and is examining the possibilities of the manufacture in India of Textile, Sugar, Paper, Mining, Cement, Chemical and other machinery. To assist the Panel the services of Messrs. Ford, Bacon and Davis, a leading American Firm of Consulting Engineers, were obtained. The Firm's representative has just completed his work and his final report is awaited. In the meanwhile, he has made certain provisional recommendations for utilising Ordnance Factories for manufacturing secondary industry products required for the manufacture of capital goods and spare parts for machinery previously imported from abroad. These recommendations are being examined by the Industries and Supplies Department.

THE HON. MR. G. S. MOTILAL : When is this report expected ?

LT.-GENERAL THE HON. SIR THOMAS HUTTON : I believe within a month.

THE HON. SIR SHANTIDAS ASKURAN : Will action be taken on the recommendation within a short time or immediately ?

LT.-GENERAL THE HON. SIR THOMAS HUTTON : I certainly hope so.

CIRCULATION OF CURRENCY NOTES.

106. THE HON. MR. G. S. MOTILAL : Will Government place on the table a statement : (a) Of the currency notes of each denomination in circulation on the 12th January, 1946 ?

(b) Of the notes of each high denomination held by the Banks on the 12th January, 1946 ?

(c) Of the total amount of notes of each high denomination exchanged ?

(d) Is it a fact that notes were sold by holders of black market money ?

(e) What steps were taken to prevent it effectively ?

(f) How much black market money Government expected to receive by recent Ordinances ?

(g) What were the loopholes which made it possible for black market money to escape full effect of the Ordinances ?

(h) Why steps were not taken to close the loopholes ?

(i) Was this step suggested by Lord Keynes or any other British Treasury official ?

THE HON. SIR CYRIL JONES : (a), (b) and (c). A statement is laid on the table.

(d) Government have no information, but have seen reports to that effect in the press.

(e) and (h). It is not in the public interest to give any information on these points.

(f) No estimate has been attempted.

(g) Infringement of the law does not necessarily imply loopholes in the law itself.

(i) No.

Statement.

Referred to in answer to parts (a), (b) and (c) of Question No. 106.

(a) The total value of the notes of the denomination of Rs. 100 and above in circulation as on the 12th January 1946 was—

Rs.		Rs.
100	..	501,37,82,600
500	..	26,18,000
1,000	..	119,70,11,000
10,000	..	24,00,40,000
Total	..	645,34,51,600

The figures relating to the other denominations have not been obtained by the Reserve Bank and it is presumed that they are not required.

(b) The returns submitted by banks and treasuries under Section 4 of the Bank notes (Declaration of Holdings) Ordinance, 1946, are still being forwarded by the receiving officers to the Reserve Bank, Bombay, where they are being collected. A number of the returns received have been irregularly drawn up and their figures will be taken into account after further clarification from the banks and treasuries concerned. It is, therefore, not possible to furnish accurate figures at this stage but on the basis of the returns so far received at the Bombay Office of the Reserve Bank by telegram the total value of the high denomination notes declared by banks and treasuries as on the 11th January 1946 works out to :—

Rs.		Rs.
100 notes	..	46,32,75,600
500 notes	..	14,93,500
1,000 notes	..	11,29,75,000
10,000 notes	..	1,57,80,000
Total	..	59,35,24,100

(c) The total value of the high denomination notes exchanged upto the 9th February 1946, based on the figures available with the Reserve Bank, was Rs. 1,20,08,31,500 made up as follows :—

Rs.		Rs.
500 notes	.. ..	19,71,500
1,000 notes	.. ..	102,84,10,000
10,000 notes	.. ..	17,04,50,000
	Total	120,08,31,500

TOTAL VALUE OF IMPORTS TO, AND EXPORTS FROM U. S. A. AND OTHER DOLLAR COUNTRIES.

107. THE HON. MR. G. S. MOTILAL : Will Government place on the table a statement of the total value of imports to and exports from the U.S.A. and other dollar countries from 1939 to December, 1945 ?

THE HON. MR. Y. N. SUKTHANKAR : A statement is laid on the table.

Statement showing import from and export to Dollar countries e.g. U.S.A. and Canada, from 1939 to November, 1945.

United States of America. In Rs. (Lakhs).

Months.	Imports therefrom							Exports thereto.						
	1939	1940	1941	1942	1943	1944	1945	1939	1940	1941	1942	1943	1944	1945
January	96	1,68	2,94	2,02	1,43	2,18	4,79	1,28	3,48	3,29	4,17	1,44	3,85	4,50
February	79	2,43	2,23	1,84	1,60	1,26	5,25	1,22	1,69	1,65	3,79	1,74	5,62	3,04
March	1,02	1,79	3,16	1,82	1,22	1,73	6,43	1,32	2,40	1,92	4,24	3,10	3,96	2,54
April .	84	2,82	4,07	2,66	1,44	1,48	6,35	1,22	1,95	2,69	2,41	4,54	3,49	3,33
May .	1,05	2,02	2,74	2,56	80	4,16	6,89	1,33	2,64	3,86	1,77	3,30	4,03	3,91
June .	77	1,24	3,32	1,75	1,31	2,11	8,38	1,54	2,24	3,57	2,32	1,94	2,62	4,79
July .	82	1,63	3,11	1,59	88	3,37	5,62	1,24	2,06	3,76	1,99	90	4,95	3,45
August	1,03	1,86	4,61	1,57	2,06	4,79	6,85	1,29	2,09	2,44	1,92	4,02	3,05	6,00
September	81	2,82	4,02	1,00	2,32	3,71	6,72	1,96	1,62	6,34	2,18	2,37	3,49	3,58
October	49	1,99	3,38	1,02	1,27	6,76	5,51	2,04	2,08	4,37	1,66	3,28	4,40	5,23
November	1,12	1,92	3,94	1,09	1,33	5,32	3,89	2,45	2,12	5,33	3,52	3,55	4,40	5,91
December	2,10	2,36	1,67	1,49	2,09	4,34	N.A.	3,79	2,23	1,74	3,88	2,78	4,31	N.A.
Total	11,80	24,56	37,19	20,43	17,66	39,21	66,68 (for 11 months only)	20,68	26,60	40,96	33,85	32,96	48,17	46,28 (for 11 months only.)

Canada.

January	13	11	35	31	52	11	51	18	55	41	62	42	31	1,30
February	15	28	30	17	16	18	28	21	33	22	36	45	36	99
March	11	21	43	1,20	15	13	27	22	34	19	21	45	45	13
April .	8	19	53	75	28	9	32	15	30	13	60	8	41	16
May .	9	18	51	22	38	17	24	14	25	18	24	27	33	61
June .	6	9	42	1,07	9	12	63	16	18	24	33	97	34	22
July .	11	12	26	44	8	45	41	21	21	68	30	25	58	89
August	11	15	25	81	17	28	26	25	16	87	26	51	55	70
September	8	32	77	18	53	39	50	59	53	51	54	13	70	40
October	6	11	81	54	21	39	59	34	17	1,08	10	63	42	98
November	9	44	79	41	11	35	71	19	28	1,16	6	35	61	92
December	8	31	67	28	23	35	N.A.	87	25	38	3	56	52	N.A.
Total	1,15	2,51	6,09	6,38	2,91	3,01	4,72 (For 11 months only).	3,51	3,55	6,05	3,65	5,07	5,58	7,30 (For 11 months only).

N.A.—Not available.

ISSUE OF IMPORT LICENCES.

108. THE HON. MR. G. S. MOTILAL : (a) Will Government place on the table a statement of import licenses issued for capital goods and machinery, stating the names to whom they have been issued, the dates and conditions of their issue ?

(b) Are Government aware that some of the licence holders have been selling their licences ?

THE HON. MR. Y. N. SUKTHANKAR : (a) The time and labour involved in the preparation of a complete statement of import licences issued in the past for capital goods and machinery would not be commensurate with the value of the results. For the future, however, Government propose to publish at fortnightly intervals particulars of applications accepted for registration under the Capital Goods Registration Scheme.

(b) Government have no information.

THE HON. MR. G. S. MOTILAL : Will they not inquire into it please ? Have Government made any attempt to inquire about it ?

THE HON. MR. Y. N. SUKTHANKAR : Certain allegations were made and inquiries have been made from time to time ; but these allegations were not substantiative.

THE HON. MR. G. S. MOTILAL : If those allegations come out to be true, what action do Government propose to take ?

THE HON. MR. Y. N. SUKTHANKAR : This is a hypothetical question. If the allegations are proved, some suitable action will no doubt be taken against the persons concerned.

EUROPEANS ON INDIAN RAILWAYS.

109. FLIGHT LIEUTENANT THE HON. RUP CHAND : Will Government state : (a) Whether it is a fact that most of the senior and highly paid posts on the Indian Railways are held by Europeans ;

(b) Will they lay on the table a statement showing the number of all posts on Indian Railways carrying a salary of more than Rs. 1,000 per month and the number of such posts held by Europeans and Indians, respectively ?

(c) Will they also state the progress made in the scheme of Indianization of superior railway services in India ?

THE HON. SIR ARTHUR GRIFFIN : (a) While a large number of senior posts on Indian Railways is held by Europeans it cannot be said that most of them are so held.

(b) Out of a total of 825 posts, 373 are held by Europeans and 452 by Indians. These figures include posts of district rank held by officers on the old scales of pay in force prior to 1931 and in whose case the pay, although commencing from a figure much below than Rs. 1,000 rises to over Rs. 1,000 by incremental stages. The number of such old scale officers, most of whom are drawing pay exceeding Rs. 1,000, is 561 of which 192 represents Europeans and 369 Indians.

(c) The latest information will be found in the paragraph on the review of the progress made since 1934, contained in Chapter VII of

the Report on Indian Railways for 1944-45, in Volume I, a copy of which is available in the library of the House.

SHORTAGE OF CLOTH.

110. FLIGHT LIEUTENANT THE HON. RUP CHAND : (a) Are Government aware that there is a general shortage of cloth in India ?

(b) Will Government state the total quantity and value of textiles exported from India during the last two years ?

(c) Is it the intention of Government to stop the exports of textiles from India to other countries immediately in order to relieve the shortage of textiles in India ; if not, why not ?

THE HON. MR. Y. N. SUKTHANKAR : (a) Yes, Sir.

(b) The attention of the Hon. Member is invited to the reply given on the 18th February 1946 to part (a) of Question No. 15 by Hon. Raja Yuveraj Dutta Singh.

(c) No, but in order to relieve the shortage of textiles in India, Government have already reduced the export quota for 1946 by one-third.

THE HON. PANDIT HIRDAY NATH KUNZRU : What will the new quota be ?

THE HON. MR. Y. N. SUKTHANKAR : On a yearly basis the quota is 400 million yards. It was 600 million yards before.

LATE DELIVERY OF LETTERS WRITTEN IN HINDI.

111. FLIGHT-LIEUTENANT THE HON. RUP CHAND : (a) Are Government aware that there is a general complaint in the Punjab that letters and packets bearing addresses in Hindi are delivered at their places of destination very late ?

(b) Is it a fact that among the postal staff, specially in the Punjab, there are not enough men who can easily read addresses written in Hindi ?

(c) Is it a fact that several letters and packets bearing addresses in Hindi have been sent to the Dead Letter Office ?

(d) Whether Government are aware that Hindi is the *lingua franca* of a large number of Hindus in the Punjab ?

(e) What steps, if any, have Government taken to see that letters and packets bearing addresses in Hindi are not delayed at any stage during transit ?

THE HON. SIR MAHOMED USMAN : (a) Occasional complaints on the subject have been received.

(b) Yes, but so far as possible and, where necessary, arrangements have been made in the larger post offices for transcribing addresses written in Hindi into English by posting additional staff for the purpose.

(c) Yes.

(d) Urdu and Punjabi are the principal languages of the Punjab, but Hindi is also spoken.

(e) Instructions have been issued providing for the transcription into English by the offices of posting of addresses written in an Indian

language on ordinary inland unregistered articles, not only when they are to be sent from the province of posting to another province in which that language is not ordinarily in use but also when they are to be delivered within the province provided that the language in which the address is written is not generally known to the people of the area in which the article is to be delivered.

ALL INDIA RADIO.

112. FLIGHT LIEUTENANT THE HON. RUP CHAND : (a) Are Government aware that All-India Radio, Lahore Station, uses a large number of Persian words and high-flown Urdu in its announcements, programmes and also in most of the talks features and plays broadcast ?

(b) Are Government aware that Hindus and Sikhs who form almost half the population of the Punjab experience considerable difficulty in understanding fully a large number of broadcasts from the Lahore Station of All-India Radio as a result of the Persianized language used by them ?

(c) Whether Government propose to issue instructions immediately to A.I.R., Lahore Station, to simplify the language of their announcements, etc., in order that the masses may have no difficulty in following them ?

LT.-GENERAL THE HON. SIR THOMAS HUTTON : (a) That is a matter of opinion.

(b) No.

(c) It is proposed to set up a Standing Advisory Committee which will deal with such questions. The attention of the Hon. Member is drawn to the Press Note issued by Government on the 5th of February, 1946, of which a copy is placed on the table of the House.

THE HON. MR. M. THIRUMALA ROW : Is it the reply of the Government that whether a particular word is Urdu or Persian is a matter of opinion ?

THE HON. SIR AKBAR HYDARI : No, Sir. But what is stated in part (a) is a matter of opinion.

THE HON. PANDIT HIRDAY NATH KUNZRU : If a complaint is brought to the notice of Government regarding the language used by A.I.R., are Government going to content themselves with the reply that it is a matter of opinion ?

THE HON. SIR AKBAR HYDARI : If the Hon. Member saw the Press Note issued which was referred to in answer to part (c), he would find that Government have taken steps to remedy any complaints which may be legitimately advanced.

THE HON. PANDIT HIRDAY NATH KUNZRU : That is a different matter altogether. I am referring only to the reply given by the Hon. Member to part (a) of the question. When he says that it is a matter of opinion, he shelves the whole question. I agree that a Committee has been appointed and we hope that it will look into the question and settle it satisfactorily. But the reply to part (a) of the question still remains very unsatisfactory.

THE HON. THE PRESIDENT : Please do not argue.

PRESS NOTE.

EXPERTS TO ADVISE ON A. I. R. LEXICON.

STANDING COMMITTEE ON HINDUSTANI.

AUXILIARY STUDIO TO BE INSTALLED IN ALLAHABAD.

At the invitation of the Hon'ble Sir Akbar Hydari, Member for Information and Broadcasting, a Committee consisting of the Hon'ble Rai Bahadur Sri Narain Mahtha, Member, Council of State, Nawab Siddique Ali Khan, M.L.A. (Central), Dr. Zakir Husain and Dr. Tarachand met on January 26, 1946 to advise the Government of India on the following questions :—

(i) Should the Hindustani news of A.I.R. continue to be broadcast in a common language or should it be broadcast separately in Hindi and Urdu ?

(ii) If in a common language, what steps should be taken for the selection of vocabulary which should be satisfactory and generally acceptable ?

(iii) What programme composition would achieve a fair representation of Hindi and of Urdu in spoken-word items other than news ?

All the previous discussions on the Hindi-Urdu question which had taken place under official auspices, including the debates in the Legislature, were placed before the Committee and the difficulties that had arisen on account of the rival demands of the various sections of the people regarding the language of the Hindustani news bulletins and the composition of the Hindustani programmes of A.I.R. were brought to their notice.

2. So far as the language of the Hindustani news bulletins is concerned, it was pointed out to the Committee that during the last ten years or so the linguistic style of the Hindustani news bulletin had been fluctuating either from purely practical considerations or in response to the varying demands of the public. The language of these bulletins was, therefore, to be regarded as an experiment which had been in progress for some years, and the question for consideration now was whether this experiment should be continued and, if so, on what lines. In this connection, All India Radio had compiled a Lexicon of about 8,000 English words commonly used in news, together with their Hindi and Urdu equivalents and suggestions for simple Hindustani synonyms, with the intention of circulating it to experts in the country for their comments on the simple synonyms suggested. The Lexicon was placed on the table.

3. After a full discussion, the Committee unanimously came to the conclusion that the use of Hindustani as the common language for news bulletins though not free from difficulties should not be given up without a further attempt at arriving at a generally acceptable vocabulary. For this purpose the Committee recommended that a Standing Advisory Committee should be set up to advise the Director-General, All India Radio, on the choice of vocabulary for Hindustani and that the A.I.R. Lexicon, which was a very valuable and constructive compilation, should be circulated to suitable experts in the country for comments which, when received, should also be considered by the Standing Advisory Committee suggested above.

4. One member, while agreeing with these recommendations, proposed that of the four Hindustani bulletins broadcast daily, two should be given in Hindustani, one in Urdu and one in Hindi. This was not agreed to by the rest of the Committee as they feared that the existence of an Urdu and Hindi bulletin side by side with bulletins in a common language would tend to defeat the purpose of the latter reducing its chances of success as an experiment and the Urdu and Hindi bulletins, because of their separatist character, would tend to become literary and would, therefore, be less widely intelligible.

5. For spoken-word programmes other than news, such as talks, plays, poetry recitations, etc., the Committee unanimously recommended that items in

Hindi and items in Urdu should continue to be broadcast in spoken-word programmes other than news as it was most desirable to help and not to hinder the literary development of the two languages and that the question of fair and adequate representation, as between the two, should be referred to the Standing Advisory Committee mentioned above, as the matter would require detailed examination.

6. As for the composition of the Standing Advisory body, the Committee recommended that it should consist of experts representing the Anjuman-e-Taraqqi e-Urdu, the All India Hindi Sahitya Sammelan and the Hindustani Prachar Sabha, with temporary members to be co-opted by the Director-General, All India Radio, as and when the questions coming up before the Committee required it.

7. It was also suggested that as an auxiliary to the Lucknow Station of All India Radio, a studio should be installed at Allahabad where spoken-word items could be arranged for inclusion in the programme of the Lucknow Station as it was felt that, pending the installation of more radio stations, this arrangement would enable the Lucknow Station to utilise the talent in the Eastern part of the U.P., more adequately than it could at present, in view of the long distances involved.

8. The Government of India have decided to accept all the recommendations of the Committee. Steps are being taken to set up a Standing Advisory Committee on the lines suggested by the Committee, to circulate the A.I.R. Lexicon to suitable experts in the country for eliciting opinion and to install an auxiliary studio in Allahabad as early as possible.

United Kingdom Commercial Corporation.

113. Flight-Lieutenant the Hon. RUP CHAND : Will Government state : (a) The profits made so far by the United Kingdom Commercial Corporation since it started handling Indian export trade ?

(b) The steps taken by Government to see that the interests of Indian individuals or firms do not suffer as a result of the operations of United Kingdom Commercial Corporation.

The Hon. Mr. Y. N. SUKTHANKAR : (a) According to information received by Government, United Kingdom Commercial Corporation's operations have in the main resulted in a substantial loss to His Majesty's Government.

(b) The main activities of the Corporation consisting about 90 per cent. of their operations in India were connected with arranging intergovernmental supplies which displaced no private trade. The Corporation's other activities were negligible and did not affect the interests of Indian individuals and firms.

Manufacture of Locomotives.

114. Flight-Lieutenant the Hon. RUP CHAND : (a) Will Government state what steps they have taken to promote the manufacture of railway locomotives in India and to provide full facilities for this purpose ?

(b) Whether any railway engines have been manufactured in India so far and whether they are in service ?

The Hon. Sir ARTHUR GRIFFIN : (a) Government are proceeding with their plan to remodel the locomotive workshops at Kanchrapara for locomotive building. Certain machinery has been ordered

and some expenditure on other works has also been authorised. It is the Government's intention that locomotives should also be built by the Tata Locomotive and Engineering Co. at Tatanagar. For this purpose the Singhbhum Workshops of the East Indian Railway were sold to this Company on the 1st June 1945 and the firm are at present proceeding with the manufacture of boilers as a first step towards the ultimate production of locomotives. In terms of the agreement entered into with this firm they are required to place before the Government before October 1946 a blue print of a layout to enable the workshop to produce locomotives for the Indian Railways.

(b) The reply to both parts of the questions is in the affirmative.

IMPORT OF LOCOMOTIVE ENGINES.

115. FLIGHT-LIEUTENANT THE HON. RUP CHAND : (a) Will Government state how many railway locomotive engines have been imported into India during the last two years and at what cost ?

(b) Whether it is a fact that a number of these engines have been imported recently at a cost far above their normal prices ; if so, the reasons therefor ?

(c) Whether orders for these engines were placed through British Commercial concerns, or whether British concerns acted as commission agents for the import of these engines into India ; if so, state the names of such firms and the payments made to them, respectively ?

THE HON. SIR ARTHUR GRIFFIN : (a) During the period 1st April 1944 to 1st February 1946, 677 broad gauge and 280 metre gauge locomotives were received in India. I lay on the table a statement showing particulars of these locomotives together with their estimated cost in India after erection.

(b) The cost of these locomotives is higher than the pre-war prices of similar types ; but considering conditions prevailing when the locomotives were ordered, the prices for the Railway Department locomotives are not considered unreasonably high. The prices for locomotives to be taken over by the Railway Department are being negotiated on the basis shown in the statement.

(c) The orders were placed by H.M.G. The second part of the question does not, therefore, arise.

THE HON. FLT.-LIEUT. RUP CHAND : Were the locomotives of American or English origin ?

THE HON. SIR ARTHUR GRIFFIN : Some of the locomotives were made in Canada, some in America and some in the United Kingdom.

THE HON. FLT.-LIEUT. RUP CHAND : Is it a fact that the locomotives were ordered from America through British concerns ?

THE HON. SIR ARTHUR GRIFFIN : I have answered in part (c). Sir, that the orders were placed by His Majesty's Government. We merely notified our demands to them and His Majesty's Government placed the orders in the best manner possible.

THE HON. MR. G. S. MOTILAL : Why were orders not placed directly by this Government ?

THE HON. SIR ARTHUR GRIFFIN : Because all orders for war equipment and all war supplies were canalized through one source.

THE HON. MR. M. THIRUMALA ROW : Do His Majesty's Government charge any commission for doing this business for the Government of India ?

THE HON. SIR ARTHUR GRIFFIN : No, Sir.

THE HON. MR. G. S. MOTILAL : Were the orders placed through His Majesty's Government or through any commercial firms ?

THE HON. SIR ARTHUR GRIFFIN : Through His Majesty's Government who arranged for orders to be placed on commercial firms in the countries I have named.

Statement.

Type or Class.	No. of Locos.	Estimated cost per loco. (Rs. in lakhs).	
BROAD GAUGE—			
1. X-Dominion (Canada) .	356	3·14 2·93	(1st order) (2nd order).
2. Diesel Electric (U.S.A.) .	30	1·76	(Obtained on Lend/Lease. The Railway Dept. are negotiating prices to be paid before taking them over. The prices will be based on market value and the condition of these locos.
3. Consols (U.S.A.) . .	60	2·57	
4. X-Dominion (U.S.A.) .	225	3·29	
5. XD (U.K.) . . .	6	3·10	
Total	677		
METRE GAUGE.—			
6. MacArthur . . .	267	2·12	H. M. G's property. The Railway Department are negotiating prices on the basis mentioned above, prior to taking them over.
7. Garratt	22	3·00	
Total	289		
Total (B.G. & M.G.)	966		

NOTE.—The figures for metre gauge include 178 on War Department account and 102 on S.E.A.C. account.

STATEMENTS, ETC. LAID ON THE TABLE.

THE HON. SIR ARTHUR GRIFFIN (Nominated Official) : Sir, I lay on the table copies of the White Paper on the policy of the Central Government in respect of participation of State Railways in road motor transport together with copies of the statement showing the progress made in the formation of Joint Companies in the various parts of India.

THE HON. PANDIT HIRDAY NATH KUNZRU : May I ask the Hon. Member to throw some light on the position created by the throwing out of the demand for the investment of public money by Government in these rail-road companies by the Assembly the other day ?

THE HON. SIR ARTHUR GRIFFIN : I should like notice of that question, Sir, but I might say that the position at the present moment is naturally very much in the air, because no money is available and we shall now have to review the whole position to see what our commitments are and how we are going to straighten them out.

REPORT ON PROGRESS OF RAIL-ROAD CO-ORDINATION.

Madras.—

The Madras Government have adopted a policy of forming tripartite rail-road companies in the Madras Presidency and desire that all operators should be afforded opportunity to associate as shareholders, given priority for suitable employment and appropriate compensation in respect to their existing road interests. Future development on a zonal basis is visualised, but where two or more well-established companies are operating in the same area mutual exchange of routes is considered the appropriate solution. The Madras Government propose to participate financially to the same extent as the railways in companies in which a controlling State interest is to be acquired, but where substantial road undertakings which have demonstrated their ability as operators are parties to a merger they are to be permitted the controlling interest, the Provincial Government shareholding being correspondingly reduced.

Negotiations have recently been concluded with Messrs. T. V. Sundaram Iyengar & Sons, Ltd., for the flotation of a company to operate in the Madura District of the Madras Presidency. Other operators in the area have been invited to associate and those who have not so far intimated their desire to do so will be given further opportunities after the company commences operation. The agreed shareholding is—

Madras Government	.. .. ..	15 per cent.
Operators	.. ..	55 „
South Indian Rly.	.. .. ..	30 „

The affairs of the company will be managed by a board of directors including a managing director. Existing staff will be absorbed and suitable employment will be found as far as possible for other operators who associate.

Further negotiations are being undertaken by both the M. S. M. and S. I. Railways, now that a basis for association has been established.

Bengal.—

The present Government (as also the previous Ministry) have accepted in principle the desirability of financial participation by railways in road undertakings with the object of co-ordinating the activities of the two services in the public interest. The Government do not propose to participate financially in such undertakings although they have reserved the right to acquire a nominal shareholding and desire to be represented on the boards of directors. Parity of shareholding as between the railways and operators will be the normal division. Management by existing suitable operators, where available, is favoured and the selection of promoters will be made by the Government. Existing operators will be given preference for employment in rail-road companies.

Negotiations are also being conducted in the Midnapore area between the Asansol Bus Syndicate for the formation of a company to operate in West Bengal. Practically all the local bus operators are members of the Syndicate, and it is hoped to devise methods to take care of their financial interests.

Negotiations are also being conducted in the Midnapore area between the B. N. Railway and promoters suggested by the regional transport authority, but these have not reached an advanced stage. Other negotiations are in progress in Bengal between the B. A. Railway and selected promoters for the formation of companies to operate on routes radiating from the Calcutta industrial area. In addition, proposals are under examination for the flotation of a company to provide railway collection and delivery services both in Calcutta and adjoining areas.

Bombay.—

The Bombay Government have given close consideration to the proposals for the co-ordination of road transport and railways in the Presidency, and have expressed themselves strongly in favour of unified control and orderly development. The Province has been divided into 11 zones and promoters acceptable to the majority of the operators as ascertained by personal contacts have been selected. Shareholdings are to be divided between operators (including promoters), the Bombay Government and the railways in the ratio of 35 per cent., 35 per cent., and 30 per cent.

Assets of existing operators will be taken over on valuation and, in addition, compensation to the extent of Rs. 1,000 per permit will be paid to those whose permits are acquired. The management and staff of new companies will be recruited, as far as possible, from existing operators and their employees.

Permission to issue the required capital has been given by the Examiner of Capital Issues and all 11 companies are likely to be registered during the month of January 1946.

United Provinces.—

The United Provinces Government are anxious to see road transport fostered in the public interest with a minimum of delay and they accept co-ordination with railways on the basis of financial fusion, as the best method of developing rationalised transport as in the Province. Their policy which has been notified in a press communiqué, favours the formation of tripartite companies with the shareholding divided between operators (including promoters), the Provincial Government and the Railways in the ratio of 49 per cent., 5 per cent. and 46 per cent. The new companies are to give preference to existing operators and their staffs in the matter of employment and existing operators will be permitted to invest to the extent of existing or potential interests in road transport up to a maximum of Rs. 10,000 per stage carriage permit and Rs. 7,500 per public carrier permit. An *ex-gratia* payment of Rs. 500 has been suggested for operators who do not desire to associate but are prepared to sell their assets and surrender their permits to the new companies, but the possibility of extending the compensation payment to all classes of operators is now under review by the Provincial Government. The Province has been devided into 7 zones in each of which a separate company is to operate. The promoters were selected by the Provincial Government on the recommendations of Regional Transport Authorities. As far as possible, selections have been from suitable existing operators or people connected with transport in the Province.

Central Provinces and Berar.—

The Government of the Central Provinces were early to recognise the necessity for and the desirability of associating road and rail services to provide planned, co-ordinated and regulated transport. Negotiations for investing in two companies in this Province had reached an advanced stage prior to the Assembly debates in which the principles governing railway association were discussed.

The C. P. Government, whilst considering an application in respect to the flotation of a limited liability company, under the managing agency system, to acquire and develop the assets of an existing road transport undertaking, had proposed that the two State interests should acquire a 51 per cent. shareholding divided equally between them, and after negotiations with the promoters a settlement on this basis was reached. The same principle was applied to another transport company already operating in the Province. In the latter company a block of shares which remained to be taken up was made available to the railways and an arrangement was concluded in terms of which the State interests were to acquire a 51 per cent. shareholding with the expansion of the issued capital.

After the Assembly debates the Hon'ble Member for War Transport made a personal visit to the summer capital of the Province to ascertain whether it would be possible to modify the proposals to permit of other operators being associated and the managing agency system eliminated. On the latter point it was found to be the considered opinion of the C. P. Government that negotiations with the promoters of the new company had been carried to a point from which it was not possible to resile ; whilst so far as the existing company was concerned there could be no possibility of dispensing with the managing agency system unless this was voluntarily relinquished. On the other hand, the C. P. Government supported the proposal that opportunity should be provided for other operators to associate as shareholders and employees. The Central Government's proposals for taking over existing assets at valuation and for paying compensation where justified on a basis to be determined on the merits of each case were also approved. The two firms of managing agents were found willing to come to terms in respect to all proposals other than relinquishing the managing agencies.

At a later stage, after the matter of managing agencies had been referred to the Standing Finance Committee, in accordance with the undertaking given by the Hon'ble Member for War Transport Department, endeavours were made to curtail the period of office of the managing agents, but unfortunately without success.

Negotiations are now in progress for the formation of a third company to operate in the Bilaspur-Raipur and Drug districts in the eastern part of the Province. The managing agency system will not apply to this company.

Railway investments in the two former companies amount in the aggregate to Rs. 2,04,000. Details of these companies are given :—

Name.	Hd. Qrs.	Areas of operations.	Present issued capital.	Proposed issued capital.	Present Railway investment.	Ultimate Railway investment.	Managing Agents
The C.P. Transport Services, Ltd.	Nagpur	Northern C.P.	75% of 30 lakhs.	(*a*) 30 lakhs.	Lakhs 5·73	Lakhs 7·65	M/s. F. M. Chinoy & Co.
The Provincial Transport Co. (Formerly Nagpur Omnibus Co.)	,,	Southern C.P.	10 lakhs.	(*b*) 50 lakhs.	3·47	12·75	The Mechanical transport (1942) Ltd.

(*a*) Reserved for other operators Rs. 10,80,000.
(*b*) Reserved for other operators Rs. 17,56,800.

Punjab.—

The Punjab Government, whilst acknowledging the necessity for active co-ordination between road transport and railways, believe that this can be achieved without financial fusion and contemplate the provincialisation of road transport in the Punjab. They have, however, recently intimated they have no objection to railways acquiring an interest not exceeding 15 per cent. in road transport undertakings operating exclusively on national highways running parallel to the N. W. Railway.

Orissa.—

The Provincial Government have adopted the policy of railway fusion with road undertakings and accept generally the principles enunciated in the Assembly. They propose to acquire a 26 per cent. interest in companies formed in the Province, and to permit 25 per cent. to railways, the balance being left to operators (including promoters) and the public. All negotiations are to be carried out by the railway. At the moment schemes for the formation of three companies are under active examination. The following are the details :—

1. Sambalpur-Meramandeli (passenger & goods service).
2. Khurda Road-Berhampur (passenger service).
3. Kondupada-Amarda Road (passenger & goods service).

Assam.—

The Provincial Government have adopted the principle of rail-road fusion restricted to parallel and feeder routes. The Provincial Government propose to participate and whilst they have not defined the share they desire to acquire, they have stated they consider the combined holdings of the Central and the Province should not exceed 45 per cent., the remainder being left to operators and the public. The interests of existing operators are to be safeguarded by granting to them first option to invest in the shares of the companies to the extent of their existing or potential vehicle assets, and the former are to be taken over at valuation. Preference will be given to suitable existing operators in selecting managers and staff for the Companies.

The B. A. Railway propose to negotiate the formation of three companies in the Assam Valley and one in the Surma Valley as soon as the Assam Government have reached a decision as to whom the work of promotion is to be entrusted.

Bihar.—

The Bihar Government have recently found it possible to reconcile their policy with that of the Central Government. It is not the intention of the Government to participate financially in companies which may be formed, although they desire to be represented on rail-road company Boards. They propose parity of shareholding between the railways on the one hand and operators and general public on the other. Promotion is to be initiated by the railways who are required to associate with them in this work as many of the leading operators as possible. Negotiations are to be undertaken immediately a detailed examination of the traffic position has enabled the most economic method of administration and operation to be determined. The railways will adhere to the principles of the "White Paper" in respect to the employment of existing operators, the acquisition of assets on valuation and the payment of compensation for business disturbance where justified by the merits of individual cases.

Sind.—

This Government have decided on the formation of tripartite companies in which they propose to take a 16 per cent. shareholding, allowing 38 per cent. to railways, 38 per cent. to operators and 8 per cent. to public subscribers. They also are in agreement with the Central Government's policy of protecting existing operators. Negotiations are in progress for the formation of a company to operate between Karachi and Hyderabad. The first managing director has been selected by the Provincial Transport Authorities with the agreement of other operators on the route.

N.-W. F. P.—

The attitude of the present Government towards rail-road co-ordination has not yet been clearly defined, but there is a proposal afoot for amalgamating all the operators in the Province into one company in which the Provincial Government will acquire a share and possibly permit a share to the N.-W. Railway. Full consideration will be given to the interests of existing operators if and when this company is formed.

"WHITE PAPER".

The policy of the Central Government in respect of participation of State Railways in road motor transport.

1. *Objects.*—(1) The aim of the policy outlined in this Paper is briefly to ensure the best use of the dual means of rail and road transport each being used to its best inherent advantage, complementary to the other; avoiding, on the one hand, artificial restriction of the number and range of road passenger vehicles, and, on the other, the economic waste as for instance in the

duplication of services which is a corollary of competition solely for gain, for which the community must pay and which would be apparent not only in possible bankruptcy of road concerns and in depletion of railway earnings, but also in slowing up of road and railway development. The attainment of these objects will be sought by any promising means. Working agreements between the road and railway interests as to routes, rates and fares will be essential in any case, more especially where the road and railway are parallel. But experience has shown that adherence to such agreements when the two services are entirely distinct and separate is difficult to ensure and that disputes frequently occur in practice. Such agreements are no substitute for the close co-ordination which can be obtained from discussion on common ground in the Board room of a Company. The opinion of the Government of India is therefore that the most promising and comprehensive method of co-ordination is to be found in some fusion of financial interests, replacing the element of gain as the main incentive in competition by healthy rivalry on the basis of service and supplementing control by Transport Authorities with those mutual adjustments which naturally follow from pooling of financial interest.

(2) The essence of the plan is the same whether both means of transport are privately owned, as in the United Kingdom or, as in India, one is owned by the State. Were both means owned by separate compartments of the State, that is, if Provincial Governments owned and ran road transport, the need for effective co-ordination would be still greater.

(3) The method of co-ordination to which this Paper mainly refers is the formation of road transport Companies, primarily for passenger traffic, in which the existing operators, the Indian Government Railway serving the locality, and, where it so wishes, the Provincial Government hold between them a large part of the capital invested in the enterprise. Shares will where margin exists be offered for public subscription also.

2 *Constitutional position of the Central Government.*—The executive authority over motor transport is Provincial : and all road transport Companies, however owned, will be subject to control in accordance with the provisions of the Motor Vehicles Act, by the Authorities in the Provinces constituted in the Provinces under that Act. But the terms on which Indian Government Railways negotiate with Provincial Governments and existing operators, and subject to which Central Government money is invested in these concerns, are the responsibility of the Central Government It is desirable therefore that the Central Government should define its policy in these matters. The definition in this Paper is as precise as the circumstances permit. Since, however, the arrangements made in any particular case must accord with the policy of the Provincial Government concerned, and must depend upon negotiations with existing operators ; there must be elasticity in adopting the general policy to particular cases.

CONDITIONS OF PARTICIPATION.

3. *Extent of the interest of the Central and Provincial Governments.*—It is not intended that Railways should normally hold a dominating interest in these companies ; but if their participation is to be effective for example in offsetting losses of short distance passengers travelling by rail, and if the railways are to have a due voice in the use of the public money which they have invested the interest of railways must be substantial ; that is not less than 25 or, normally more than 45 per cent. Where the Provincial Government so desires, or where existing operators and the public do not take up the shares offered, railways may take a larger interest. Certain Provincial Governments wish to participate also and will of course themselves indicate the extent of their interest.

4. *The inclusion of existing operators.*—(1) The basis of the scheme is the replacement of competition for gain by mutual co-operation. It is the wish of

the Central Government that existing operators should be fairly treated in pursuance of the policy of co-ordination ; but it would defeat the object in view were they to remain in large numbers in competition both with the railway and with the new road company. It is, therefore, the intention that existing operators should, in addition to being absorbed, where suitable, into the establishments of the Companies be given prior option over the public in taking up shares in the new Companies.

(2) There is general agreement that, as the provider of passenger transport in the future, the small individual owner of one or a few buses will rarely find a useful place except perhaps on isolated routes. Therefore, whether or not railways participate, amalgamation of the existing operators or their elemination by more efficient concerns is inevitable. The operator of the past, who has during the war earned good money from the use of his vehicle and from the employment of himself and his family, must recognise that in any case his future interest will be that of a shareholder in a Company and as an employee of that Company, and that if, in the future, there is no effective road rail coordination his Company may find its earnings seriously reduced. In assessing what is a " square deal " with the present operators, it is necessary to forget the profits of today and to have regard to the conditions of the past and the prospects of the future. The general plan is that subject to the policy of the Provincial Government each existing operator should have first option to invest in the shares of these Companies up to an amount approximately equal to his existing or potential assets in the Vehicles covered by his permit.

(3) The authorised capital of these Companies will have to be determined on long range considerations including the proportionate holding permitted to the different parties. But the called up capital money at any time will be based upon commercial considerations after a careful survey of requirements. If the capital of the existing operators is only partly called up their returns during the earlier years may be small and the question of the proportion of capital to be called from the different parties might be left to be decided at the first general meeting of the Company.

5. *Assessment of assets of existing operators.*—(1) It is the intention that the vehicles and other assets of existing operators should, wherever they are suitable, be taken over on cash payment. For the convenience of existing operators these payments would be offset against the share capital subscribed by them. In the event of the assets of any permit holder exceeding the value of the shares offered to him (for example if he held substantial assets in a workshop), the excess could be covered by the issue of debentures in lieu of cash should the Company so decide.

(2) The following scale of valuation of vehicles and other assets is proposed :—

(a) *Vehicles.*—In the case of a new and unused vehicle, the actual cost to the owner including the cost of the body, subject to a maximum in the case of the chassis of the controlled price in force at the time. In the case of other vehicles, the present-day controlled price of the chassis *plus* the value of body, new, at present day prices, less depreciation at the rate of 25 per cent. per annum on the declining values from the date of first registration with a margin of Rs. 500 either way as an allowance for the condition of the vehicle. It would of course rest with the Company to decide whether the vehicles were worth taking over.

(b) *Gas plants,* fitted would be separately valued.

(c) *Spare parts and new tyres and tubes* would be valued at cost to the owner subject to a maximum of the controlled price obtaining at date of the transaction.

(d) Other assets taken over by the Company would be valued by negotiation.

(3) In order to help existing operators and because of the shortage of vehicles, the Companies should normally take over vehicles with one year's expectation of useful life before seeking new ones. In border line cases if the operator elects to sell the vehicle in the open market he should be permitted to do so without objection or forfeiting his option on shares. But an operator who elects to sell a good vehicle outside the Company at a scarcity price cannot also elect to come in as a shareholder.

(4) Any disputes arising out of the valuation of assets as above would be referred to arbitration under the orders of the Provincial Government.

6. *The question of "Goodwill".*—Section 59(1) of the Motor Vehicles Act provides that a permit shall not be transferred from one person to another, except on the death of permit holder, or with the permission of the Transport Authority. The majority of the rules made by Provincial Governments under that Act contain, it is believed, the further provision that, before sanctioning transfer, the Transport Authority may call upon both parties to state what payment or other consideration has been attached to the proposed transfer. The object of these provisions was to prevent trading in permits and the Act and rules thereunder do not recognise that a permit has any sale value. At the same time, the proviso to Section 58(2) gives preference to the renewal of an existing permit over the grant of a fresh permit to a different person. It can be argued therefore that a permit carries with it some right of continuance and is therefore of some commercial value. On the other hand, by consenting to transfer the permit to the Company the holder does not exclude himself from the right conferred by the permit to ply for hire, but retains it jointly with other shareholders. Moreover, the Railways and the Provincial Government, where the latter participate financially, bring for different reasons a valuable asset of goodwill to the merger. Thus it might also be argued that the claims of the three parties in respect of the goodwill which they bring to the business might reasonably be considered as cancelling out. Nevertheless, the Central Government recognise that there may, in certain circumstances, be justification for some payment to existing operators as compensation for disturbance of business. The question whether there is justification for such payment and of its amount must be determined by the Provincial Government concerned in the light of the conditions prevailing in each Province and on the circumstances of each case. The Central Government desire to deal reasonably with the operators and are in principle prepared to invest Railway finance in a company in which provision has been made for reasonable payments to existing operators on this account.

7. *Restriction of share option to previous regular operators.*—The policy in bringing existing operators into these Companies is to give preference to the old established persons or concerns, *i.e.*, mainly those in the business prior to 1942, or to those who have been operating pre-1942 permits transferred to them, in accordance with the original conditions. There are also a few newer but regular Bus Companies whose claim to the option to take up shares should normally be recognised.

8. *Offer of shares to the public other than existing operators.*—Subject to a reasonable holding being reserved for the railway participating and, if desired, for the Provincial Government, shares offered to existing operators, but not taken up, and any other margin in the share capital, should be available for public subscription subject normally to a limit of say Rs. 5,000 being held by any one individual, preference being given to the applicant for a small number of shares.

9. *Promoters of Companies.*—Where possible, the preliminary work of organising and promoting the Company should for the sake of uniformity be undertaken by officials, in consultation and collaboration with one or more persons selected from among the existing operators on the route or area

concerned, who may be suitable to fill the position of Managing Director or General Manager. Where a suitable person is not available from among the existing operators who elect to be first option shareholders, then with the consent of the Provincial Authorities concerned and after negotiation with the qualified existing operators, some other suitable person experienced in motor transport operation may be selected, as General Manager, on a salary basis, to organise the Company. He may also, if considered necessary, be appointed to the Board of Directors on holding qualification shares as prescribed in the Articles *vide* also paragraph 11.

10. *Employment of existing owners and their present employees.*—In staffing these Companies preference should be given to those who are already directly employed in providing transport on the route or in the area concerned, and who are qualified and fit persons to be so employed.

11. *Direction of Companies.*—Normally there might be six Directors on the Board of a Company, or seven in the case of Companies which appoint a Managing Director. Non-rotating Directors will be the Provincial and Central Government representatives and also the Managing Director where appointed. Experienced operators in the area served who take up shares should be considered for seats on the Board. Indian Government Railway Directors will accept no fees.

12. *Management of Companies.*—Companies promoted hereafter will be managed by Managing Directors or General Managers, having road transport experience, preferably on a salary basis, under the Board of Directors. Wherever possible, the Managing Director or General Manager will be selected from experienced operators in the area concerned, to whom some additional shareholding may be permitted to ensure identity of interests but this should in no case be permitted to exceed 15 per cent. except where justified by the number of valid permits held.

13. *Managing Agents.*—Managing Agencies will not be employed hereafter. Cases where railways, or Provincial Governments in conjunction with railways, have carried negotiations with any road transport interest to a stage where they stand committed to a Managing Agency, and where such promoters are unwilling to modify the arrangement, will be reported by Railway Administrations to the Railway Board before agreements are concluded.

14. *The Monopoly Question.*—(1) It is the view of the Central Government that competition on the basis of gain will inevitably result in uneconomic duplication. They think therefore that the new joint Companies must in time have a monopoly of the type of road transport on the routes, or in the area, covered by their permits. The extent to which the Companies will operate on branch as well as on main routes will depend on the conditions of the permit imposed by the Transport Authorities. In some cases those authorities may consider that, for the present, certain or all branch routes should be operated by different concerns. In other cases they may require the Companies to operate the less remunerative routes as well as the main routes. This is a matter for evolution and experience. But in any case the joint Companies should have a monopoly on the routes and of the type of traffic (passenger or goods) covered by their permit. The management of the Companies by a Board representative of the Province and the Railways, whose main interest is good service, and of the other shareholders whose main interest may be expected to be profit earning, coupled with real competition on the basis of service will it is believed provide the necessary incentive to efficient operation and to close co-ordination of services in the interest of the public. What it is necessary to avoid is the domination of these Companies, or of any other road transport concerns, by any single financial interest. The proposals in this paper are designed to prevent that.

(2) There remains the not unnatural fear that the Companies will, with monopolies, become so strong as to ignore the public interest, and that the Transport Authorities will be powerless to insist on the provision of better service, since the only redress under the Motor Vehicles Act is the suspension or cancellation of permits, which does not help the travelling public. As far as the railway participating are concerned, the intention is that the Companies should give optimum service. Nevertheless, it is desirable to provide by amendment of the Motor Vehicles Act that the permits should be drawn in a fuller form giving the Transport Authorities power to levy fines for non-performance of the services specified in or under the provisions of the permit. In the ultimate resort it would be open to the Transport Authorities to grant additional permits on the same routes to other concerns, and to refuse to renew the permit on next date of renewal. Such non-performance is however inherently improbable.

15. *Effect on bullock-cart transport.*—Grave apprehension has been expressed in the Assembly and elsewhere that, in the post-war development of road motor transport, bullock-carts will be put out of business and rural economy seriously disturbed. The matter is primarily one for Provincial Governments to study in drawing up their plans for road and road transport development.

STANDING COMMITTEE FOR THE LABOUR DEPARTMENT.

THE HON. MR. H. C. PRIOR (Labour Secretary) : Sir, I move :—

"That this Council do proceed to elect, in such manner as the Honourable the President may direct, one non-official member to serve on the Standing Advisory Committee to advise on subjects with which the Labour Department is concerned *vice* the Hon. Maulvi Ali Asgar Khan."

The Motion was adopted.

STANDING COMMITTEE FOR THE DEPARTMENT OF INDUSTRIES AND SUPPLIES.

THE HON. MR. M. W. M. YEATTS (Industries and Supplies Secretary) : Sir, I move :—

"That this Council do proceed to elect, in such manner as the Hon. the President may direct, four non-official members to serve on the Standing Committee to advise on subjects with which the Department of Industries and Supplies is concerned, for the financial year 1946-47."

The Motion was adopted.

STANDING COMMITTEE FOR THE COMMONWEALTH RELATIONS DEPARTMENT.

THE HON. DR. N. B. KHARE (Commonwealth Relations Member) : Sir, I move :—

"That this Council do proceed to elect, in such manner as the Hon. the President may direct, four non-official members to serve on the Standing Committee for the Commonwealth Relations Department during the financial year 1946-47."

The Motion was adopted.

THE HON. THE PRESIDENT : With reference to the motions which have just been adopted, I have to announce that nominations to the Committees will be received by the Secretary up to 11 o'clock on Wednesday, the 6th March, 1946, and the date of election, if necessary, will be announced later.

WORKMEN'S COMPENSATION (AMENDMENT) BILL.

THE HON. MR. H. C. PRIOR (Labour 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."

Sir, this Bill is fully explained in the Statement of Objects and Reasons. It is, I think, a non-controversial measure and I need not add to what has been stated in the Statement of Objects and Reasons.

Sir, I move.

The Motion was adopted.

Clause 2 was added to the Bill.

Clause 3 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HON. MR. H. C. PRIOR : Sir, I move :—

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

The Motion was adopted.

INDIAN MINES (AMENDMENT) BILL.

THE HON. MR. H. C. PRIOR (Labour Secretary) : Sir, I move :

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

Sir, I need not say much in explanation and support of this Bill. The Statement of Objects and Reasons makes perfectly clear the intention behind it. It is a part of the Government's programme for improving the standard of living of miners, and it is an important part of that programme. The House will remember that under legislation passed about two years ago the Coal Mines Welfare Fund was set up ; and under the authority of that legislation Government are taking steps to see that the standard of housing provided for miners is improved. But that by itself will not be sufficient, and we want to ensure that the miner, when he leaves his work is able to clean himself and if possible put on clean clothes and go back to his house clean and in clean clothes. That, we believe, will be a potent influence in improving his standard of life. The Advisory Committee set up to administer the Coal Mines Welfare Fund has accepted the proposal that it is an obligation on mine-owners to provide pit-head baths, and I do not think there is anybody that will quarrel with that view. It is the working in the mines for the benefit partly of the mine-owners and partly of the coal consumers that the miner gets dirty, and it must be an obligation on the mine-owners to see that he has an opportunity of cleaning himself. Some mine-owners have already provided this opportunity, and the use that has been made by miners of the pit-head baths that have recently been established by Tatas' collieries at Digwadih sufficiently establish that the miner does want to make use of the facilities as soon as they are provided.

Sir, we regard this measure as of urgency, and even when the legislation is passed it must take a little time before the statutory obligation can be imposed on the mine-owners ; and consequently Government, on the advice of the Advisory Committee administering the Fund, are prepared to make grants to mine-owners who set about the establishment of

[Mr. H. C. Prior].

pinhead baths during the next 12 months even and have them ready before the statutory obligation is on them, and that, we hope, will ensure that we get these baths quickly at the pit-head. 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 HON. MR. H. C. PRIOR : Sir, I move :—

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

The Motion was adopted.

CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL.

THE HON. MR. SHAVAX A. LAL (Nominated Official) : Sir, I move :—

"That the Bill further to amend the Code of Criminal Procedure, 1898, as passed by the Legislative Assembly, be taken into consideration."

Sir, as the law stands, the Sessions Judge has no power to recall a case from the Additional Sessions Judge who is not subordinate to him. This frequently causes delay in the disposal of criminal work. This Bill, therefore, seeks to remove that defect. 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 HON. MR. SHAVAX A. LAL : Sir, I move :—

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

The Motion was adopted.

CODE OF CRIMINAL PROCEDURE (SECOND AMENDMENT) BILL.

THE HON. MR. SHAVAX A. LAL (Nominated Official) : Sir, I move :—

"That the Bill further to amend the Code of Criminal Procedure, 1898, (Second Amendment), as passed by the Legislative Assembly, be taken into consideration."

Sir, as pointed out in the Statement of Objects and Reasons, the Bill seeks to remove the lacuna to which Their Lordships of the Privy Council have drawn attention. This Bill seeks to confer power on the High Court to grant bail to a convicted person who has been granted special leave to appeal to the Privy Council. 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 HON. MR. SHAVAX A. LAL : Sir, I move :—

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

The Motion was adopted.

PROFESSIONS TAX LIMITATION (AMENDMENT) BILL.

THE HON. SIR CYRIL JONES (Finance Secretary) : Sir, I move :—

" That the Bill to amend the Professions Tax Limitation Act, 1941, as passed by the Legislative Assembly, be taken into consideration. "

The Statement of Objects and Reasons attached to this Bill, Sir, short though it be, is self-contained and self-explanatory, and I have very little to add to it. Before the Professions Tax Limitation Bill was brought before the Central Legislature in 1941 Provincial Governments were consulted, and they were in general agreement with the provisions of that Bill subject to certain exemptions, which were embodied in a schedule of exemptions to the Bill. In the case of the Madras City the Corporation levies professions tax on individuals under section 111, and a tax on companies under section 110 of the Madras City Municipal Act. It was understood that the Professions Tax Limitation Bill, while affecting the professions tax levied under section 111, would not affect the tax on companies levied by the Madras Corporation under section 110 of their Act, and for that reason the Madras Government did not ask for exemption of this tax on companies when agreeing to the introduction of the Professions Tax Limitation Bill. That position was fully explained before the Central Legislature, and it was on that understanding that the Bill was enacted. Subsequently doubts have arisen, the position has been contested, and the Corporation of Madras have taken high legal advice, the result of which is that, although the matter is open to some doubt, it is highly probable that as the Act is now worded the tax on companies levied by the Corporation of Madras is brought within the mischief of the Limitation Act.

That was not intended. It was specifically and definitely understood by the Central Legislature that would not be the case at the time this Bill was passed into law. For that reason, this amending Bill has been brought forward at the request of the Madras Government to give effect to the original intention of the Legislature. 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 HON. SIR CYRIL JONES : Sir, I move :—

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

The Motion was adopted.

THE HON. THE PRESIDENT : That finishes the work of this morning. We shall again meet at 2-30 P.M. to discuss the Hon. Mr. Thirumala Row's Motion for Adjournment of the House. I trust Hon. Members will be present, especially that the Hon. Mr. Thirumala Row will be here in time to start with his motion at 2-30 P.M.

THE HON. MR. M. THIRUMALA ROW : Thank you, Sir. I am always alert.

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

The Council re-assembled at Half Past Two of the Clock, the Hon. the President in the Chair.

NOTICE OF MOTION FOR ADJOURNMENT.

THE HON. MR. M. THIRUMALA ROW (Madras : Non-Muhammadan) : Sir, I have given notice of an adjournment motion.* Before asking for leave of this House to move it, I want to place one or two matters for the consideration of the Government with a request for their elucidation. Two adjournment motions were passed in the other House on this topic and the strength of feeling against the use of Indian troops in Indonesia has been expressed during the debate on these two adjournment motions. In order to understand how far Government is ready to respond to public opinion in this matter, I have tabled this motion and if Government is in a position to explain their stand in this matter, that will greatly help me to come to a decision whether I should ask for leave of the House. Therefore, with your permission, may I request His Excellency the Commander-in-Chief to enlighten us ?

THE HON. THE PRESIDENT : I have no objection if His Excellency is prepared to make a statement at this stage.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : Sir, in answer to the request of the Hon. Member I should like to say that the civil or political problem which arises in Indonesia, and has arisen, is not the affair of the military authorities and it is for the Dutch and the Indonesians to reach a peaceful settlement and come to some agreement as to the future Government of the country. The sole concern of the Military Command, as I think Hon. Members are aware, is to promote such conditions as would permit peaceful discussions between the Dutch and the Indonesians to take place. In carrying out his tasks, the first task of achieving the two original objects for which the troops went to Indonesia, that is to say, the disarming and repatriation of the Japanese troops in Indonesia and the secondary task which arose out of this, disarming of the many lawless bands which were roaming the country and comitting various lawless acts, Admiral Mountbatten throughout has placed the greatest stress on these two points. He has stated repeatedly that there are to be no reprisals for the excesses committed by terrorists ; and secondly he has stressed always that when force has to be used, it should be the minimum necessary and that due warning must be given. I believe I am correct in saying that troops have never opened fire unless first fired upon. But I must say, Sir, that I should be very glad indeed to see all Indian troops out of the Netherlands, East Indies. Nobody will be more pleased than myself and that is the feeling not only of the Government of India with regard to their own troops but also of the United States and His Majesty's Government in the United Kingdom. Both these Governments have made it very clear that they want a peaceful settlement as soon as possible and that their troops should be withdrawn.

As regards the withdrawal of the troops, it was just two or three days ago that I did hear of the proposals for this. A definite programme has been agreed upon, always provided of course that matters go as they should go in Indonesia—I hope they will. We hope that the withdrawal of these troops from the Netherlands East Indies will start almost immediately, that is in March, beginning tomorrow. The number to be withdrawn each month will of course depend on the situation and it will also

*"I move an adjournment of the business of the House for discussing a definite matter of urgent public importance, namely, the continued employment of Indian troops in Indonesia for the purpose of suppressing Indonesian Nationalist movement for independence."

depend on the capacity of this country to absorb them. That is a problem which I have to deal with ; but I do not think that will hold up the withdrawal. But I understand that the number to be withdrawn each month will be considerable. Although I know the approximate number, I would not like to give it here, because it might not be possible to work up to it. It is quite a large number every month and it is intended to continue the withdrawal until all are evacuated. Personally I hope that the evacuation may be complete at the latest by July. It does depend on circumstances. I do not want to give an assurance—I am sure Hon. Members will not ask for an assurance, because things may go wrong.

Those are the facts. I have seen this programme of withdrawal. It is a definite programme agreed upon by South East Asia Command and us. I do not think, Sir, that there is anything more for me to say, except possibly that it might interest Hon. Members to know that at the time of the Japanese surrender there were about 72,000 Japanese troops in Java. At present 39,000 have been concentrated under the control of our troops in Western Java and a few thousand more in Sourabaya. It is quite a complicated business. There are about 85,000 internees. Of the total number of internees of over 100,000, 85,000 are now under our protection. They have been concentrated and put into places where they are not subject to molestation ; and 30,000 have already been evacuated from Java. Evacuation, of course, depends on shipping.

To end up, I would like to say that the task of our troops in Java and the Dutch East Indies has been a thankless one and one which has not been at all relished by them. I know that. I have had plenty of opportunity to learn that. They had to do their duty and I think they have done it very well and as you know, it is not our habit to shirk our responsibilities, however irksome or distasteful they may be ; and in this case we have not shirked, although I can assure you that they have not been to our taste or to the taste of our men, Indian or British. I would like to add that we can say that we have acted throughout in good faith, and I would be very grateful if the House would accept this assurance from me.

THE HON. THE PRESIDENT : I think His Excellency's explanation ought to satisfy the Hon. Member completely and I do not think there is any necessity now to move the Adjournment Motion.

THE HON. MR. G. S. MOTILAL (Bombay : Non-Muhammadan) : May I ask one question ? What is the number of Dutch troops in Indonesia ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : I do not know, Sir. I believe there are no Dutch troops in Indonesia, although there may be some in the neighbourhood. I have not got that information.

THE HON. MR. M. THIRUMALA ROW : In view of the statement made by His Excellency the Commander-in-Chief I do not feel any necessity for pressing the motion. I hope all the Indian troops will be withdrawn according to the programme arranged before July.

The Council then adjourned till Five of the Clock.

The Council re-assembled at Five of the Clock, the Hon. the President in the Chair.

THE HON. SIR CYRIL 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 railway for the year 1945-46, and the corresponding estimates of revenue and expenditure for the year 1946-47.

2. It has fallen to me, Sir, to present to this House all six of India's war-time budgets, from 1940 onwards. The increasing magnitude and complexity of the issues underlying the estimates has rendered necessary during that period a progressively closer approximation of my speech in presenting the estimates to the Budget speech of the Hon. the Finance Member, which is printed and circulated and forms the basis of our subsequent discussions. We now come to our first post-war budget, and in view of the nature of the problems which arise on the threshold of a new era it has been considered desirable and appropriate, and conducive to the convenience of Honourable Members, that I should this year read to the House in his own words the speech which the Hon. the Finance Member is at this moment delivering to the Legislative Assembly. I understand, Sir, that this departure from precedent has your full concurrence, and I trust that it will be equally acceptable to all Hon. Members of this House. The Finance Member's Budget speech is as follows :—

" Although I have not undertaken any intensive research to establish the fact, I imagine that I am the first Finance Member to deliver his first Budget Speech in the knowledge that it will almost certainly be his last.

2. In the interval since my distinguished predecessor presented his sixth and final Budget, the international and domestic scene has been transformed. The monstrous ambitions of the Fascist dictatorships have been utterly destroyed and the peace-loving and democratic nations can look forward to the building of a new world in the confidence that for many years to come their plans will not be frustrated and set at naught by the threat of external aggression.

But though our external foes have been overthrown, the world, and particularly India, is still confronted by a whole array of dangerous and enduring enemies—poverty, squalor, ill-health, illiteracy, under-nourishment and under-employment; and of these the most formidable is poverty. If we can expel this adversary from our midst, we shall find no great difficulty in dealing with the allies who revolve round his axis.

3. Let us not deceive ourselves, however, into thinking that we can triumph over the forces thus drawn up against us without a supreme and combined endeavour. Victory will not be achieved without sustained effort, without sweat and tears, without money or without leadership. Almost the greatest of these is leadership, and at this point I shall refer to the only political issue which I propose to raise in the course of my speech. No army has encompassed the defeat of its enemies on the battlefield without faith and confidence in its leaders. With all the earnestness at my command I add one more plea to the leaders on the benches opposite to co-operate with those on this side and with H.M.G. in finding an early solution to the political problem. I am conscious of the difficulties and am not insensible of the width of the gulf which has to be bridged, but it is my firm conviction that with toleration, restraint and

goodwill a solution can be found. What is certain is that for every day the solution is deferred, for so long will be postponed the attainment of India's destiny which is hers by right.

What I have said so far is merely to indicate in broadest outline what I conceive to be the aims of India's national long-term policy. Fiscal policy is merely one of the means to achieve national policy and in the proposals which I am about to submit to the House I have kept these long-term aims in mind. But necessarily and inevitably my proposals have been coloured and qualified by the conditions which have been created by the war and by its merciful termination earlier than any of us had dared to hope.

4. Let us pass these conditions under a brief review. While India has been spared the material destruction that has befallen many other countries, she has suffered in full measure, and in some directions in greater measure than others, the economic consequences of war. Her industrial equipment has been worked to the very edge of a breakdown and there is a large backlog of maintenance and replacement to be made good; more than that, the development of her economy and even her reconstruction are being delayed through her inability to obtain the necessary capital equipment owing to destruction and unsatisfied demands in the supplying countries. Civilian building has been almost entirely neglected for over five years, and this presses heavily on a country where the large annual increase in population and where growing industrial development require a continually expanding building programme. In India, as elsewhere, there have occurred large shortages of consumer goods, caused on the one hand by the failure of supplies from overseas and on the other by the diversion of a large part of her productive capacity to war purposes. Outstanding examples are textiles and foodgrains, though there are many other examples. I do not propose to dilate on the foodgrains situation, since that is only too well known to the House. Finally, as elsewhere, the purchasing power in the hands of the public has enormously increased and here, too, the consuming public is anxious to make effective use of its spending capacity. In other words, there are still pockets of inflationary forces which require to be closely watched and controlled.

5. In one important respect, however, the situation in India resulting from the cessation of hostilities differs from that in other important belligerent countries such as the United Kingdom and the United States of America. In largely agricultural countries such as India and the Middle Eastern States, war expenditure, though in absolute amounts much less than in the industrialised states of the West, has had a proportionately greater effect in stimulating the growth of the national income. It follows that, with the fall in war expenditure which is now inevitable, a greater proportionate effort will have to be made if the national income is not to fall too far below its war-level. In other words, deflationary tendencies will, in the absence of countervailing measures, begin to manifest themselves before very long. When I mention that the drop in defence expenditure on account of His Majesty's Government and the Government of India combined will be of the order of Rs. 600 crores next year as compared with the Budget this year, the House will realise how strong these tendencies will be. It must, therefore, be the object of

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the Government, in the coming year, with the help of the public and of the business community, to avoid the Scylla of increasing inflation and the Charybdis of too precipitate a deflation.

FINANCIAL YEAR, 1945-46.

Revenue

6. It is against this background that I now proceed to review the financial position for the current year.

Total revenue receipts are now expected to reach Rs. 360.66 crores, a decrease of Rs. 1.68 crores on the budget estimates.

Customs receipts are likely to improve by Rs. 9¾ crores as a result of larger imports. Under Central Excises, however, we expect a shortfall of approximately Rs. 2 crores from the Rs. 48.59 crores provided in the Budget.

Under Taxes on Income, we estimated a collection of Rs. 190.5 crores, Rs. 90 crores under excess profits tax and Rs. 100.5 crores under other taxes on income. We now place the revenue at Rs. 189 crores, the shortfall of Rs. 1½ crores occurring under ordinary income-tax. The divisible pool of income-tax is likely to amount to Rs. 55.94 crores and the share of the Provinces together with the carry over of Rs. 5.28 crores from the previous year, to Rs. 28.75 crores.

The revenue of the Posts and Telegraphs Department is now estimated at Rs. 32.84 crores, Rs. 96 lakhs more than the budget figure. Expenditure is placed at Rs. 22.17 crores, an increase of Rs. 2.14 crores, due mainly to post-budget decisions regarding war and dearness allowances. The anticipated surplus of Rs. 10.67 crores will accrue to general revenues.

The contribution from Railways to General Revenues has been taken at Rs. 32 crores as envisaged in the Budget Estimates.

Expenditure

7. *Defence Services.*—It has been customary during the war years for the Finance Member to give in this section of his speech a general review of the progress of the war and the activities of the Indian Defence Services both in India and abroad. Partly in order to reduce the length of my speech and partly because I feel that such a review would come more apppropriately from the War Department I shall, on this occasion, confine myself to only such broad matters of policy as directly affect India's defence expenditure, leaving it to my Hon'ble friend, the War Secretary in the course of the budget debates, to give the House fuller and more detailed information on the administrative measures and other activities with which his Department is primarily concerned. I am circulating with the Budget papers an Explanatory Memorandum prepared by the War Secretary setting out in more detail the main administrative measures in the field of defence and giving details of the amounts provided in the defence Budget Estimates.

8. The outstanding events of the year were, of course, the unconditional surrender of Germany on the 7th May, followed, about four months later, by a similar surrender on the part of Japan. Though the latter event came about six months earlier than was generally expected, plans

for the demobilisation of personnel of the Indian armed forces had been under active preparation for a considerable time before V-J Day and it was found possible to put these into operation at the beginning of October last. The number of personnel to be demobilised in India is well over a million and a half and no effort is being spared to speed up the rate of releases. It is a formidable task, which is complicated by transport difficulties and the uncertainties that must necessarily exist for some time regarding the ultimate size and composition of India's defence forces, but we expect it to be largely completed by the end of the coming financial year.

9. The actual discharge of personnel from the Indian armed forces represents, however, only one aspect of the process of demobilisation—using that term in its wider sense of the unwinding of war activities and the diversion of India's economic resources, both human and physical, from winning the war to the tasks of rehabilitation and development. Thus the defence authorities, besides dealing with the problem of the orderly release and repatriation of over one million and a half men from the fighting services, which includes the making of arrangements for the welfare of soldiers awaiting discharge and their education and preparation for civilian life, are directly concerned with the cancellation or reduction of their demands for stores of all kinds, the closing or slowing down of munitions manufacture, the stoppage of building activity and the declaration of surplus stocks and the disposal of fixed assets no longer required for defence purposes. The complementary schemes and measures to ensure that the personnel and industrial resources thus set free are utilised as fully and speedily as possible for the recuperation and expansion of India's civil economy, are primarily the concern of the civil authorities both at the Centre and in the Provinces, though naturally, in view of the strong interest that the defence authorities have in the resettlement of defence personnel, they are constantly brought into consultation regarding these matters.

10. In view of the fact that by the middle of the year the war had ended, it may come as a surprise and disappointment to some that the revised estimate for the current year does not indicate a more substantial fall in the expenditure chargeable to India's defence estimates, as compared with the budget for that year. The budget estimate was Rs. 394.23 crores and the revised estimate is Rs. 376.42 crores. The explanation for this is to be found very largely in the heavy costs of war gratuities, special leave and other terminal benefits granted to personnel on discharge in addition to their pay and allowances and other maintenance expenses while awaiting discharge in India.

11. With effect from V-J Day (2nd September 1945) the supply of goods and services from the United States of America to the United Kingdom and other countries under Lend-Lease arrangements came to an end and from the same date those nations, including India, ceased to provide services and supplies for the U. S. Forces on Reciprocal Aid terms. It was agreed, however, as a matter of administrative convenience, that supplies and services through mutual aid channels should continue for a short time to be rendered on both sides but on a cash repayment basis. A number of claims and counterclaims are arising between India and the United States of America on this account.

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12. Another matter outstanding between India and the United States of America is the settlement of Lend-Lease and Reciprocal Aid, and the transfer to the Government of India *en bloc* of stocks and installations accumulated by the United States of America authorities in India during the war and now surplus to their requirements.

It is clearly necessary to arrive at an early understanding with the United States of America on these matters and the Government of India therefore welcomed a suggestion from the U.S.A. Government of their discussion at Washington. Two senior officers will accordingly be deputed to America for this purpose.

Civil Estimates

13. The revised civil estimates for the current year stand at Rs. 129.19 crores, an increase of Rs. 5¾ crores over the Budget figure. Civil expenditure connected with the war shows a fall of Rs. 7 crores, but this is more than offset by the provision under "Grants-in-aid" of a further subvention of Rs. 8 crores to Bengal. This further assistance is calculated to bring the total Central grant to Bengal to a figure representing roughly half the cost to the Province of the disastrous 1943 famine, and does no more than enable the Government of Bengal to break even on their revenue account to the end of 1945-46, when most other Provinces have been in a position to tuck something away for purposes of their post-war development. It is accompanied by a withdrawal of the Central Government's offer to meet half the losses involved in the rapid turnover of food stocks which was found to be necessary to prevent wholesale deterioration, and represents the last measure of special assistance which Bengal will require from the Centre as a result of the major calamity which was peculiar to that Province alone. For the rest, the increase in the Revised Estimates is due mainly to the strengthening of the Central revenue organisation and to expansion in a number of Departments, mostly those which are popularly called "nation building". I do not propose to refer here to individual variations since they are explained in the Explanatory Memorandum which accompanies the printed Budget Statement, and developmental expenditure will be dealt with separately later on in this speech. There are, however, one or two matters of general interest which I should like to mention in view of their bearing on Central expenditure.

14. The House will appreciate that the sudden termination of active hostilities did not end the difficulties and abnormalities of the country's economy which the war brought into being. In discharge of its responsibility for the economic health of the country, the Government has of necessity had to maintain the system of controls, both, economic and financial, which was developed during the war, but although some of the controls have come to stay, since you cannot have a planned economy without some controls, the remainder are being, and will continue to be, withdrawn as soon as they have ceased to serve the purpose for which they were designed. Indeed, some 150 control measures have already been so withdrawn.

15. The work of the Supply Department, now that war-time procurement operations have ceased to be of primary importance, is being

directed towards restoring the civil economy of the country. The department has been amalgamated with that of the Industries and Civil Supplies and the new department will deal mainly with the development of industries in accordance with the approved plans. During the first seven months of the current year the value of orders placed by the Supply Department was Rs. 107 crores compared with Rs. 162 crores during 1943-44. Latterly one of the main tasks of the department, however, has been to terminate war contracts already entered into and arrange for the disposal of surplus stores. By December 1945, existing contracts to the value of approximately Rs. 20 crores had been cancelled, while in other cases contractors were permitted to utilise the materials acquired by them for Government contracts for the production of goods required by the public. As a result of this policy, the amount of compensation paid has been very small and amounted to only Rs. 8 lakhs to the end of January, representing the final settlement of claims for contracts totalling over Rs. 13 crores. Some Rs. 8¾ crores have also been received by the direct sale of surpluses. I have already referred to the negotiations which are taking place with the American authorities in connection with the disposal of U. S. A. surpluses in this country.

The future policy in regard to Ordnance factories has been laid down, and, as a purely short-term measure, the available spare capacity is being utilised for the production of civilian goods in short supply.

A Co-ordination Committee of Council has been appointed to ensure that the many complicated problems connected with the transition of India's economy from a war footing to a peace footing are effectively integrated and speedily dealt with. The Defence Department was wound up last month.

16. To summarise the whole budgetary position in 1945-46, the figures are these :

Original Budget.—Expenditure Rs. 517.63 crores, Revenue Rs. 362.34 crores, giving a revenue deficit of Rs. 155.29 crores.

Revised Budget.—Expenditure Rs. 505.61 crores, Revenue Rs. 360.66 crores, yielding a revenue deficit of Rs. 144.95 crores. The revenue deficit position has, therefore, improved to the extent of Rs. 10.34 crores.

Financial Year, 1946-47

Revenue.

17. I turn now to the financial year 1946-47. Before taking into account fresh taxation proposals and an adjustment to which I shall refer later, our total revenue estimates amount to Rs. 307 crores compared with Rs. 362.34 for the current year.

Customs receipts have been placed at the conservative figure of Rs. 65 crores net, which is the same as in the revised estimates for the current year; but with an improvement in the shipping position and with the increasing availability of supplies from exporting countries receipts may well exceed this figure. Under Central Excise Duties, the estimates provide for Rs. 47.20 crores.

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Now that war activities have ceased, we are allowing for a total revenue of Rs. 158 crores only under Corporation and Income-taxes. This includes an expected yield of Rs. 75 crores from excess profits tax. The divisible pool of income-tax has been taken at Rs. 46.79 crores and the share available to Provinces at Rs. 19.64 crores.

The revenue of the Posts and Telegraphs Department is expected to be Rs. 32.25 crores and expenditure Rs. 22.25 crores, inclusive of an extra contribution of Rs. 50 lakhs to the Renewals Reserve Fund. The surplus is estimated to be Rs. 10 crores.

In modification of the policy pursued during the war years, of taking the entire surplus of the Posts and Telegraphs Department to general revenues, it is proposed, for the coming year, that the contribution should be three-quarters of the surplus instead of the whole. The share which accrues to the Posts and Telegraphs Department will strengthen the resources available for expenditure on post-war schemes.

As regards the contribution from Railways, we are providing for Rs. 7.36 crores. This represents a drop in receipts by Central Revenues of nearly Rs. 25 crores. The House is already aware of the basis of this estimate from the Railway Budget recently presented.

Expenditure

18. *Defence Estimates.*—As already mentioned, general demobilisation will be in progress throughout the year 1946-47 and for this reason the defence estimates for that year are inflated by the abnormal expenditure arising out of that process. Provision has been made for the maintenance of an Indian contingent consisting of one Indian brigade, one R.I.A.F. squadron and two R.I.N. sloops, with ancillary and administrative units and formations, to be stationed in Japan during the year as part of the forces of occupation furnished by the United Nations. Apart from the great part played by her armed forces in the subjugation of the Japanese, India's representation amongst the forces of occupation is an appropriate and inevitable recognition of her international importance.

Some reduction in the estimate has resulted from the decisions to withdraw Japanese campaign pay, the further accrual of war service increments, and other war-time concessions, with effect from various dates in 1946-47.

19. In has been decided, after consultation with His Majesty's Government that the Financial Settlement will remain in force until the 1st of April, 1947. In spite of much discussion on the subject both in this House and elsewhere some confusion of thought and misunderstanding still persist about the nature and intent of this Settlement. Three separate, though interconnected issues, are involved.

First, there is the principle in accordance with which expenditure on the armed forces of India is borne by the revenues of India and of the U.K. respectively. The principle is simple and is not new. It has been in force for many years. It is this: expenditure incurred for the purposes of India's own defence falls on India: the remainder falls on His Majesty's Government.

Secondly, there is the so-called Financial Settlement. This is merely a set of accounting rules for allocating to the respective exchequers the

total war expenditure in accordance with the principle to which I have just referred. Experience gained in the last war showed that the normal peace-time methods of determining the shares to be borne by India and the U. K. in accordance with this principle are quite impracticable under war conditions and the Settlement was, therefore, devised as a rough and ready means of arriving at India's share of defence expenditure, which, while broadly conforming to the accepted principles of incidence, would not impose an intolerable strain on the administrative and accounting machines. Shortly after the conclusion of hostilities with Japan, His Majesty's Government asked us to consider a suggestion that the Financial Settlement might be terminated on the 31st March, 1946. It was pointed out to them, however, that the great virtue of the Settlement lies in its saving of manpower and that, in view of the heavy calls that general demobilisation and other transitional activities would make on India's administrative and accounting staffs, the reversion during that year to the normal accounting methods of allocating expenditure would be impracticable. It was therefore urged by us that the retention of the Settlement until the end of that year (by which time these disturbing factors would have largely disappeared) was essential, and His Majesty's Government has accepted this view. I want to emphasise that it was Whitehall and not Delhi that wanted to drop the Financial Settlement at the end of the current financial year.

Thirdly, there is the method of financing the expenditure for which His Majesty's Government is responsible. This is not affected in the slightest degree by the terms of the Financial Settlement itself; it follows that the continuation of the Settlement for another year in no way prejudices the question of an alteration in the financing procedure hitherto followed, which, as the House knows, has resulted in heavy accumulation of sterling balances. The question of alternative methods of financing His Majesty's Government's expenditure is engaging the closest attention of Government, although, as will be seen in a second, the amount involved next year is insignificant in comparison with the total of our sterling assets to date.

20. The estimate of defence expenditure recoverable from His Majesty's Government for the year 1946-47 is only Rs. 42 crores, against Rs. 489 crores in the Budget for the year 1945-46. The very marked decrease in next year's claim reflects partly the success of the Hydari Mission's efforts to secure a reduction of the demands for war purposes on India's productive capacity, partly the decision to discontinue, except in respect of certain agreed categories of stores with effect from 1st April, 1946, the use of India as a source of supply of the S. E. A. Command's requirements, partly the fact that, to a large extent, the requirements of both the India and S. E. A. Commands during 1946-47 will be met from stocks in India paid for by His Majesty's Government in previous years; and finally the large reduction in the numbers of Indian troops employed overseas. The recoverable expenditure for 1946-47 will thus represent for the most part the pay and allowances of Indian forces employed on occupational duties overseas (elsewhere than in Japan) and connected transportation charges incurred in India.

21. While the war lasted, the budget estimates of the defence services ceased for the most part to serve as instruments for restricting and

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generally controlling expenditure. This was inevitable in view of the impossibility of foreseeing the course of the war and, therefore, the measures that would have to be taken to meet the threats to India's security as they arose from time to time. Clearly, if a measure could be shown to be essential for the prosecution of the war, its introduction could not be opposed merely on the ground of the absence of budget provision. Now that the war has ended this state of affairs can no longer be allowed to continue and it has been decided to reintroduce, as far as possible, the normal procedure for budgetary control over defence expenditure during 1946-47. Owing to the existence of numerous abnormal factors it will not be possible to introduce the normal peacetime accounting and budgetary procedure in its entirety, but I contemplate that such control will be substantially secured.

22. The budget estimates of defence expenditure for 1946-47 amount to Rs. 243.77 crores and Rs. 1.57 crores for the Revenue and Capital heads respectively, as compared with Rs. 376.42 crores and Rs. 14.93 crores in the revised estimates 1945-46. His Majesty's Government's expenditure is now Rs. 3,47 crores in the revised estimates for 1945-46 and, as already stated, Rs. 42 crores in 1946-47.

23. *Civil estimates.*—I shall not, at this stage, detain the House with details of the civil estimates. Suffice it to say that expenditure debitable to Revenue amounts to Rs. 111.94 crores.

The position for the coming year is thus as follows. The expenditure detailed in the civil estimates comes to Rs. 111.94 crores and provision for the defence service has been placed at Rs. 243.77 crores, the combined total being Rs. 355.71. The total revenue at the existing level of taxation is estimated at Rs. 307 crores. We are thus left, before making adjustments resulting from taxation proposals, with a prospective revenue deficit of Rs. 48.71 crores, as compared with Rs. 155.29 crores in the original and Rs. 144.95 crores in the revised budgets for 1945-46.

WAYS AND MEANS

24. In the context of war finance our ways and means operations have assumed a position of special importance and my predecessor took occasion to explain the changed significance which they have come to occupy in the broader field of Government's financial and economic policy as a whole.

During the period of hostilities, due to the situation created by our own war expenditure and that of the Allied Governments, a major preoccupation was the problem of trying to absorb by taxation and borrowing, the purchasing power in the hands of the public so as to bridge, or to reduce to a manageable size, the inflationary gap. Today the problem in its broadest aspects has, as I have indicated earlier in my speech, two facets, first, of securing stability in the immediate future by keeping in check an inflationary potential that undoubtedly still exists, and secondly, of preventing any material decline in business and economic activity as a result of the cessation of war-time expenditure.

In so far as the immediate problem still remains that of an excess of purchasing power competing for a limited volume of consumer goods, a main objective of our policy in the financial sphere must be to ensure

that, through the issue of various loans and through other forms of borrowing, as well as by measures of taxation, surplus funds in the hands of private citizens are diverted to the public fisc to the extent that they are not devoted to new productive enterprises. Investment in Government loans and the consequent withdrawal of redundant purchasing power from the public has the two-fold advantage of mitigating the pressure of such surplus funds on the prices of consumable goods, and, at the same time, of building up reserves in the hands of Government for development purposes.

25. With this purpose in view, we have continued our efforts to popularise investment in Government loans. While the support accorded by the various sections of the public to the borrowing programme of Government has been satisfactory, a great deal remains to be done to bring home to the population in the rural areas the desirability of investing in Government loans, in furtherance of the common good. With the object of turning the savings movement from a wartime measure to combat inflation, to a peacetime organisation which can serve a great social end, the Small Savings Scheme has been reorientated with the primary purpose of encouraging consistent savings among the less well-to-do section of the community. Particular emphasis has been directed towards ensuring that no pressure is brought to bear, but that the people should be persuaded, by reasoned explanation of the advantages, to save regularly whenever possible and however small the amount. The propaganda which has recently been launched with the co-operation of gentlemen eminent in the public life of the country has been directed towards these ends and I should like to take the opportunity of acknowledging the support which they have given in laying the foundations of a scheme which, I believe sincerely, is not only in the interests of the individual saver but also to the advantage of the community as a whole. I greatly hope that the day is not far off when the people will cease to keep the bulk of their savings in the form of hoarded currency, or bullion or superfluous ornaments, and will put their savings to work to create new wealth. It has always seemed stupid to me that man should expend so much effort in digging out treasure from mineral deposits only to bury the bulk of it in safe deposits.

26. During the last financial year Rs. 40½ crores were invested in Small Savings and, during the first nine months of 1945-46, Rs. 43½ crores have been accumulated. The total amount invested by the public in the various public loans offered during the period February 1945 to January 1946 aggregated Rs. 346 crores, compared with Rs. 286 crores during the corresponding period last year.

The progressive total of public loans issued since the beginning of the war up to the end of January 1946 reached the figure of Rs. 1,178 crores. Impressive as this total is, the House will agree that there is no room for complacency when we regard the development expenditure in prospect. It is true that it has been possible to float the loans required for the prosecution of the war cheaply, but it is necessary at the same time that funds required for India's development should be obtained at equally and even more favourable rates. If large developmental expenditure is to be undertaken, whether from the public fisc or from the private sector, one of the pre-requisites will be the ability to borrow what

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is needed at cheap rates of interest. On the other hand, the capacity of the country to lend to the State will depend to an appreciable extent at any rate in the years immediately ahead, on the volume of expenditure by the Government of the day, coupled with other recognised important factors such as Government's taxation policy, the retention of selected controls and the public's liquidity preference. Borrowing and spending must, therefore, go hand in hand.

27. As a result of the gradual funding of our floating debt, there is a reduction in the outstandings of Treasury Bills. Thus, against a figure of Rs. 104.81 crores at the end of December 1944, the corresponding figure at the end of December 1945 was Rs. 66.01 crores. It is true that our comfortable ways and means position does not compel the continuance of this form of borrowing, but this class of investment plays an important role in the money market. In the coming years it may be necessary, and even possible, for Government to exercise greater discrimination in the finding of development expenditure and to meet some of it by short term borrowing. I am satisfied that we can without risk carry a floating debt substantially in excess of the present figure.

Excluding the contributions for quotas under the Bretton Woods Agreements, in regard to which special arrangements will be made with the Reserve Bank of India at the appropriate time, the total borrowings which I hope to raise during the coming year amount to approximately Rs. 300 crores. This compares with Rs. 346 crores raised during the last twelve months.

28. As regards sterling, during the first nine months of the current financial year, £228 million were added to the Reserve Bank's holding and it is estimated, allowing for the receipts during the last three months of the year, that the total holding on the 31st March 1946 will be of the order of £1,330 million.

As I have already indicated, additions to this total on account of His Majesty's Government's defence expenditure will be quite small next year even if no change is made in the method of financing this expenditure. Indeed, it is possible that in the course of 1946-47 the United Kingdom may succeed in increasing her exports to India to such an extent as to avoid any further additions to our sterling credits and, perhaps, even to reduce them. And this, of course, is quite apart from the amount of sterling which will be convertible into free exchanges as a result of the negotiations which will take place in the course of the year between His Majesty's Government and ourselves. I have made it clear on previous occasions that the arrangements to be made for the transfer of these balances are a matter for bilateral settlement between India and the United Kingdom and I take this opportunity of reiterating what I have said before, namely, that should negotiations take place while the present Government is in office, I would hope to associate representatives of the leading political parties in the country and other non-officials with the delegation appointed to undertake the discussion with His Majesty's Government. I would also repeat what I have told the House previously, that India will be entirely free to take any line that she may see fit to pursue at these negotiations and any idea that she is committed in advance to a scaling down of the balances or to a continuance of arrangements under which such balances will continue to accrue is entirely with-

out foundation. When these negotiations will take place, however, it is not yet possible to say, but it is highly unlikely that they will be held until the United States Congress has ratified the U.S.A.-U.K. Loan Agreement.

In my opinion, no grounds exist for the fears which have been expressed that India's ability to obtain, in the immediate future, capital equipment from abroad will be prejudiced by the fact that a large portion of her foreign exchange reserves are in the form of sterling. Indeed, I would go so far as to say that, for a number of years to come, the main consideration will not be the availability of exchange but the physical capacity of the two main exporting countries to meet the demands of a war shattered world. At the same time, the absorptive capacity of India herself and the rate at which the necessary technical personnel can be made available, may well be limiting factors of considerable importance.

29. Another question which is closely connected in the public mind with sterling balances is that of the so-called Empire Dollar Pool. There is a widespread belief that the arrangement which goes by this name has been grossly unfair to India, that this country has contributed enormous net amounts of hard currency to the Pool and that it would be to our advantage to withdraw from it without further delay.

There is, I am afraid, a great deal of misconception about the whole subject. Nobody is to blame for this misconception. It is mainly due to the fact that, for security reasons, it was not possible, while the war was on, to disclose the volume and details of the transactions which took place through the Dollar Pool.

I should like to examine the question very briefly under four heads : First, what is the nature of the Empire Dollar Pool ? Secondly, how has its operation affected India ? Thirdly, would it be to our advantage to withdraw from the Dollar Pool immediately ? Fourthly and lastly, to what extent has India contributed to the Pool assets in excess of assets drawn by her from the Pool ?

To take these points in turn. First, what exactly is the Dollar Pool ? The Dollar Pool is, in effect, the modification, imposed by war conditions, of the sterling area arrangement which has existed for a century. Under this sterling area arrangment, Empire countries, and other countries as well, found it convenient and economical to settle their transactions on international account through sterling, through London. Before the war, sterling was freely convertible into any other currency. When war broke out, the ability of the Commonwealth to earn foreign exchange was severely reduced owing to the fact that productive capacity previously devoted to exports had to be diverted to armaments, munitions and other warlike stores. At the same time imports necessary for the prosecution of the war remained high. The different countries in the Commonwealth were, however, affected in this respect in varying degrees and an arrangement was therefore entered into among them whereby earnings of dollars and other hard currencies would be pooled and the essential requirements of the several countries, in terms of these currencies, would be met from the Pool.

Secondly, how did the pooling arrangement affect India ? The answer is that India had free access to the pool to finance her essential current imports from hard currency countries, which included the U. S. A., Canada, Switzerland, Sweden and Portugal. Moreover, a sum

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of 20 million dollars was specially earmarked to pay for capital equipment required by India from non-sterling countries for her post-war development.

Thirdly, would it be in India's interest to withdraw from the Pool forthwith ? In my view, it would be premature and unprofitable to do so, since the balance of trade with the U. S. A. has been unfavourable to India for many months. In other words, India is receiving from the Pool more dollars than she is currently earning, and she is far from having exhausted the sum of 20 million dollars to which I have just referred. Moreover, under Article 7 of the Anglo-American Loan Agreement, the U. K. are committed to making arrangements which will involve the dissolution of the Dollar Pool within one year of the effective date of that Agreement.

Lastly, what is the excess of India's contribution to the Pool over her drawings from it ? The wildest and most fantastic guesses have been made and the lowest non-official guess has put the figure at several hundred crores. I have been at considerable pains to establish what the true position is. Owing to the number and complexity of the transactions, it is very difficult to arrive at completely accurate figures, but with the help of the Reserve Bank I can give figures which are approximately correct. Here they are : Between September 1939, and March 1945 India earned hard currency assets to the amount of Rs. 364·33 crores. Excluding the 20 million dollar special fund which I have already mentioned, India has utilized hard currency assets to the amount of Rs. 265·02 crores. To this latter figure should be added the net import of gold from the United Kingdom during the same period, since gold is equivalent to hard currency. Computed at the world (not the Indian) price, the value of this gold is Rs. 50·08 crores. The balance in India's favour is, therefore, Rs. 49·23 crores as at March of last year.

It is contended that India should claim this amount from what remains of the Dollar Pool. Having regard to the essential character of the Dollar Pool, it seems to me difficult to establish a claim on this basis. The most that could be claimed would be a *pro rata* share of the existing Pool assets. But even if the full amount could be established, it is much less than I hope and expect that we shall obtain by way of free exchange from the pending negotiations between India and the United Kingdom on the subject of sterling balances.

POST-WAR PLANNING.

30. I shall now turn to the important subject of development planning, in which great strides have been made during the past twelve months, both at the Centre and in the Provinces. My predecessor last year referred to the steps which had been taken at the Centre for dealing with post-war planning and development, and mentioned a number of important preparatory measures which had been put in hand, such as the establishment of a Central Electrical Power Board, and Irrigation and Waterways Board, the Resettlement and Re-employment Directorate and the training of students overseas. Preparatory work of various kinds has expanded and intensified throughout the year, particularly in connection with the "Grow more food" campaign, essential training both in India and overseas, preparations for the re-settlement and re-employment of ex-soldiers and discharged war workers, and various research activities. In addition, all-India policies in respect of a number of subjects such as education,

agriculture, food, health, labour, transport and civil aviation have been announced. The Central Government Departments have not confined their activities to advancing their own plans but have also been able to assist the provinces in the preparation of theirs. Some, indeed most, of the subjects which I have just mentioned are, of course, primarily the responsibility of the Provincial Governments, but we hope that the general policies suggested, for example, in the Report on Education and in the Report of the Committee on Public Health will afford valuable guidance to Provincial Governments. All Provincial Governments have formulated their 5-year plans, and they are now under review by the Centre so as to ensure that they are properly co-ordinated *inter-se,* are generally in broad accord with all-India policies and objectives, and are individually and collectively feasible. I anticipate that, after due examination and discussion with Provincial Governments, the Provincial 5-year plans will be finalised in the course of the next few months. They involve expenditure of the order of Rs. 900 crores, part of which, however, will extend well into the second five year period. In addition to this, the plans of the Centre in respect of railways, roads, civil aviation, tele-communications, Central institutions etc., will also add up to a considerable figure. Our approach to the problem of planning has been of the severely practical kind, for which the main justification is that we now have within a minimum of time a very large programme of practical and desirable schemes in an advanced stage of preparation.

31. I have already mentioned the very heavy drop in war expenditure and the deflationary tendencies which this drop will set in motion with a consequent threat of widespread unemployment and depression. The House will doubtless wish to know what is being done to meet the situation. Industrial development cannot be relied upon to fill the immediate gap, if only because of the difficulties and delays in securing large-scale imports of capital goods. No Government, whether Central or Provincial, can afford to contemplate with complacency the onset of deflation or allow purely financial considerations to stand in the way of maintaining the economic health of the country. Public expenditure of a useful kind is the obvious remedy, and in May last Provincial Governments were asked to select from their 5-year plans schemes which would create employment and could be started at short notice ; they were promised a substantial contribution towards the cost of such measures. When the war with Japan came to an unexpectedly early end, the position was further reviewed and our offer of financial assistance extended. Provincial Governments have been urged to embark forthwith on all schemes which provide a high proportion of employment relative to the cost, or are productive or of economic importance calculated to increase the national income. Such schemes will include roads, buildings, minor irrigation works, anti-erosion measures, agricultural and forestry development, and public health measures such as anti-malaria, water supply and drainages schemes. As an incentive to urgent action we have undertaken to provide Provincial Governments with all the funds that they may require for approved schemes of this nature up to the end of March 1947. In the case of self-financing schemes, this assistance will take the form of loans, while for others we are prepared to make advance grants to cover the full costs, which will not be recoverable but will be adjusted against whatever scheme of Central grant is eventually decided upon. Lists of schemes proposed to be taken up during this interim period have been received from most of the Provincial Governments, and

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approval is being freely and quickly accorded. A lump sum provision of Rs. 35 crores has been made in the budget estimates for such advance payments, and of Rs. 15 crores for loans to Provinces for productive development works.

32. For Central Government development schemes, excluding some Rs. 22 crores on Railway items, a total provision of about Rs. 27 crores has been made in the Budget. This covers development expenditure in the Centrally Administered Areas, expenditure on the post-war plans of the Posts and Telegraphs and the Civil Aviation Departments, special loans to Port Trusts to assist them in carrying out works which will create employment, and a lump-sum provision for various schemes of the Central Departments which are not sufficiently advanced for inclusion under the ordinary departmental budgets. One of these latter items, to which I would like to invite attention, is the Labour Department's subsidised housing scheme. Building is one of the most useful and desirable forms of investment, in regard to which there is, as I have already said, a tremendous leeway to be made good. The scheme, which is intended to benefit not only employees of Governments and Local Authorities but also industrial workers, provides for a subsidy up to 12½ per cent. by the Centre to local bodies and industrial employers, provided the Provincial Government concerned is also prepared to make a grant equivalent to 12½ per cent. of the cost to enable suitable houses to be constructed for the poorer classes of workers who are not in a position to pay a full economic rent. The scheme will apply mainly to urban employees, but we have not overlooked the importance of improving rural housing conditions also, and we are considering the possibility of setting up model housing schemes in selected villages in Delhi Province or other Centrally Administered Areas. In order to assist and stimulate private building activity special steps are being taken to increase allocations of coal for the burning of bricks and releases of timber, cement and steel, to relax controls over these materials and to expand production capacity. I think it is true to say, in regard to all the various schemes to which I have referred, whether Central, Provincial or private, that any delay which may arise is far more likely to be due to lack of qualified personnel than to lack of funds.

33. In the matter of the general financing of governmental plans there is little that can usefully be added to what has been stated in the last two Budget speeches. The scope for development is greatest in the Provincial sphere, but planned development on a national scale must be a joint and co-ordinated effort by both the Central and Provincial Governments, with a large measure of pooling of resources notwithstanding constitutional limitations. The Centre and the Provinces alike will need to develop their taxation resources to the full. If this is done, and effort during the early years is concentrated on economic measures designed to increase material prosperity and national income so as to build up revenue on which expansion of the social services must depend, there is good reason to believe that funds will be available to the extent that they can be usefully spent. It seems likely that Provincial Governments between them will have, by the end of the current year, balances of the order of Rs. 70 Crores, and will acquire during the next 6 years revenue surpluses totalling some Rs. 100 crores. They have based their plans on the broad assumption that, apart from borrowings either from the Centre or from the market, they will receive Central grants during the quinquennium amounting to approximately Rs. 250 crores which will

be distributed roughly on a population basis. I do not myself regard population as an altogether appropriate basis of distribution and would prefer a scheme more on the lines of the Australian grants system, under which grants to States are made on the recommendation of an independent and impartial body such as the Australian Federal Grants Commission. As I understand it, the Australian system aims at achieving a reasonably equal standard of social and cognate services in all the States of the Commonwealth. In making their recommendations, the Commission takes into account such factors as the natural resources of each State, its stage of industrial development, its taxable capacity, the extent to which this taxable capacity is exploited, and so on. The Commonwealth Government have very kindly agreed to receive one of my senior officers to study on the spot the working of the Australian system and the possibility of its adaptation to Indian conditions. Pending his report I am not in a position to make any more definite statement on the subject.

34. It is not on the activities of the Government alone, however, that the rapid development of India will depend, but also, and to a very large extent, on the efforts of private enterprise, particularly in the industrial field. I do not propose to go into the details of the various measures which the Planning and Development Department, in co-operation with the other Departments of Government and the industries concerned, have in hand for the rapid progress of industrialisation of this country. Reference to those measures will take place during the course of the budget debates. For my part I need only mention some of the more important measures which I have taken in hand. One of them is the establishment of an Industrial Finance Corporation in order to ensure the availability of medium and long-term credit to industrial enterprise in India where the more normal methods of industrial finance are inadequate. Detailed proposals for the establishment of such a Corporation have reached an advanced stage of preparation. Legislation will be required, and I shall endeavour to introduce the necessary measures in the course of this session.

35. Another matter which is under the consideration of my Department is that of the planning of investment, both public and private, with a view to securing the fullest and most advantageous utilisation of the economic resources of the country in the interests of planned capital development. Investigation is required to determine whether a National Investment Board should be set up for this purpose, and, if so, how it should be constituted and on what lines it should work. Meanwhile, the existing control over capital issues must necessarily be continued. Some measure of relaxation has been rendered possible by the steady reduction of pressure on goods and services in short supply which the end of the war has brought about ; but that control is necessary to prevent excessive flow of capital into less important or less desirable directions which would lead to unregulated and lopsided development will, I think, hardly be disputed. Whatever final decision is taken will require the backing of new legislation, until which time the course must be kept clear by retaining the existing Defence of India Rule in operation.

36. If control over investment is to be made effective, the Government of India's statistical and economic organisation will have to be so strengthened as to enable us to prepare, and to present with the Annual Budget, a National Investment budget. We are not at present in a

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position to introduce this desirable reform, but I have this year taken the first step by presenting a Central Capital budget along with the Central Revenue budget. It is but a modest step towards the ultimate objective, but it seems to me to be an innovation in the right direction. Even if it serves no other purpose, it will at least permit of a proper presentation of our transactions of a capital nature and focus attention on the productive and dead-weight indebtedness of Government, and on the expenditure of loan monies on productive and unproductive schemes. The changes made are explained at length in the Explanatory Memorandum, and I trust that the departure made from past practice will meet with the approval of the House.

37. Before I explain the taxation proposals for next year, there is one further matter to which I would like to refer. A widespread desire has been expressed for the appointment of a Committee to examine and report on the present tax structure and taxation incidence, with special reference to their effect on trade, industry, employment, standard of living, savings and capital formation. The Government appreciate that more than 20 years have elapsed since the last general enquiry into taxation in India was held, and that the situation has in many ways changed materially since then, particularly during the six years of war. Not least of the changes has been the re-orientation of economic thought in the interval. With the cessation of hostilities and an era of intensive development begun, which will require constructive planning of taxation with a view to ensuring the most effective use of the taxable resources of the country, the present may reasonably be regarded as ripe for a fresh comprehensive taxation review. I propose, therefore, to set up a Taxation Enquiry Committee in the near future. Since one important object of the proposed enquiry would be to secure, as between the various classes of taxpayers, an equitable distribution of the burdens of taxation, it would seem to be essential that, as in the case of the Taxation Enquiry Committee of 1924, the scope of the enquiry should extend to the whole field of taxation—Central, Provincial and local. While it would not be appropriate for the Committee to concern itself with the question of the distribution of taxable resources between the Centre and Provinces, it should cover the harmonisation of Central and Provincial taxation where experience has shown conflict or overlap to exist in their respective spheres, as defined in the Constitution Act. The present lack of uniformity in the incidence of taxation as between Provinces, illustrated by the varying rates of sales tax, octroi, property tax, motor taxation, etc., could be dealt with by the Committee. The main purpose of the enquiry would, however, be to ascertain what adjustments or modifications of the taxation system of the country as a whole would be required and could, from the practical administrative point of view, be introduced in order to produce a properly balanced and scientific tax structure, fair in its incidence and adequate to the needs of a forward development policy, without deterrent effect on initiative and private enterprise, and with due regard to the administrative requirements for the prevention of tax evasion. The Provinces are in favour of an enquiry of this nature. My provisional view is that the Committee should be predominantly non-official in character and that it should be an expert rather than a representative body, although care should be taken to obtain the views of all the interests affected,—industry, commerce, agriculture, labour, the consumer, the ordinary taxpayer and lastly, the Administration, both Central and Provincial. Above all, it should not be unwieldy. There

appears to me to be in India a tendency to set up not only too many committees but also committees which are quite unmanageable from the point of view of size. I shall greatly welcome the views of Hon'ble Members as to the scope and composition of the Committee.

I now pass to my taxation proposals for next year.

Part B of Budget Speech for 1946-47.

New Proposals

38. I said early on that fiscal policy was not an end in itself. It must subserve the ends of national policy. Its purpose should be not merely to raise a given revenue but to raise it in such a way as to obtain the maximum social and economic advantage and to distribute the burden as justly and as fairly as possible between the various classes of taxpayers. This is of course, an ideal which it is difficult to achieve in this imperfect world, where psychological and political factors operate to modify and qualify economic theory and doctrine, but the pattern and design of my proposals attempt to conform as near as possible to this ideal.

39. The lines of this pattern are made plain in the opening paragraphs of my speech. Let me recall briefly the gist of those paragraphs I pointed out, first that a great deal of money would be required to comba the evils of poverty, ill-health, squalor, illiteracy and unemployment : and secondly, that during the next year or two Government must do all it can to offset the fall in economic activity which will otherwise result from the heavy drop in military expenditure.

The largest single source of revenue in the years immediately ahead will have to continue to be the profits of industry. I am conscious of the depressing effect on industrial enterprise of a high level of taxation on profits, and that it is the expansion of industry which holds out the earliest promise of increasing the national income and raising the standard of living in the country, although India will not achieve the maximum of economic health and wealth until agriculture as well as industry have multiplied their productivity many times.

The fiscal problem, so far as industry is concerned, is how to lay it under a heavy contribution and, at the same time to encourage it to expand. This is the problem which I have attempted to solve, but its successful solution will require the whole-hearted co-operation of Industry itself. If it be the aim of India's industrial leaders, as I am sure it is, not so much to make millions for themselves as to raise the standard of life of India's toiling and poverty-stricken millions, then the problem can be solved.

40. Here is my own contribution to its solution. First, I propose to discontinue the Excess Profits Tax on earnings arising after the 31st March, 1946. The only justification for E.P.T. as a tax is the emergency which called it into being. By all the canons of taxation doctrine it is a thoroughly bad tax. It is rough and ready in its operation ; it is unfair in its incidence and, beyond a certain point, it is a direct inducement to inefficiency. Except that I, as tax gatherer-in-chief, cannot refrain from casting a longing, lingering look behind at its high yield, none of us will, I think, mourn the passing of the Excess Profits Tax.

It will, of course, be realised that the discontinuance of the tax will not, of itself, affect the revenue of the coming year nor give any immediate relief to the class of tax-payer to whom it applies, since the tax will still

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be payable in respect of all excess profits earned up to the 31st March, 1946, The scheme of compulsory deposits will also remain in force to the end of the E.P.T. period.

As regards the refunds of E.P.T. deposits, they will be sanctioned in advance of the date for which the law provides, on condition that they are not distributed as dividends to shareholders but are required for the provision or replacement of buildings, plant or machinery.

When I remind the House that E.P.T. will yield Rs. 90 crores in the current year and is estimated to produce Rs. 75 crores in the coming year, Honourable Members will be able to measure the loss to revenue and the benefit to industry which the abandonment of E.P.T. implies.

One last word about E.P.T. Concern has been expressed about losses and expenditure which may arise in the period of transition from war-time to peace-time conditions and which may involve hardship if they are not allowed against the profits of the final E.P.T. chargeable accounting period. This question is under consideration and, when it is known what is the actual extent and nature of these hardships, then will be the time to consider appropriate legislation.

41. The next relief to industry which I propose is to revive the proposals which were dropped last year to grant special initial depreciation allowances of 10 per cent. on new buildings and 20 per cent. on new plant and machinery and to allow for income-tax purposes expenditure on scientific research. In addition, I propose to widen the scope of what is called the obsolescence allowance, so as to make it include the loss of the asset by destruction or demolition and also to extend it to buildings. These proposals will cost Rs. 2 crores.

In order to complete the picture of the easements which I propose for industry, I shall now move to the field of indirect taxation. I shall return later to other direct taxation proposals which will affect industry.

42. I am anxious at the earliest possible moment to meet the demand so often made in the past for the relief from Customs duty of raw materials imported for industry ; and also, to the extent that this may be practicable without injury to Indian manufacturers of similar goods, to reduce the rates on such imported plant and machinery as are now dutiable. The former proposal is estimated to cost approximately Rs. 70 lakhs. As regards the latter, it is difficult to estimate the cost of relief till a careful review of the position is made. So no allowance has been made in the revenue estimates on this account at this stage. It is proposed to give effect to the decisions separately by a notification under the Sea Customs Act.

43. I now revert to the direct taxation field but, before dealing with it as it specially affects industry, I should like to mention a proposal which will effect not only all classes of taxpayers but also Central and Provincial Revenues, namely, the amalgamation of the surcharges on income-tax and super-tax with the basic rates. This amalgamation is estimated to benefit the Provinces to the extent of Rs. 12¾ crores at the expense of the Centre.

44. Coming back to industry, the total of the present rates of income-tax and super-tax on a company is 7¾ annas. I propose to reduce this total of 7¾ annas by 1¾ annas to 6 annas, by a reduction of 2 annas in the super-tax and an addition of ¼ anna to the income-tax. This is estimated to cost Rs. 7 crores. For the past two years the Finance Act has contained a provision giving a rebate of super-tax to companies at the rate

of one anna on all sums not distributed as dividends. This, in effect, imposed an extra tax at the rate of one anna on all sums distributed as dividends. I think that circumstances now warrant the introduction of a new method for discouraging the distribution of dividends. In my view, a reasonable distribution is something which the shareholder has a right to expect and which should not attract a penal rate of tax. I am, therefore, proposing that, excluding dividends payable at a fixed rate, sums equal to 5 per cent. on the capital of the company, including reserves, and equal to 30 per cent. of the total income, may be distributed without attracting more than the 1 anna rate of super-tax. Dividends above that datum line will become liable to additional super-tax at steepening rates. I hope that this provision will keep the distribution of dividends within reasonable bounds and encourage the ploughing back of profits into the business. This is estimated to yield about Rs. 1½ crores.

45. Before turning to the non-company direct taxpayer, it will be appropriate to mention at this stage another and somewhat novel proposal which affects both classes. I have referred more than once to the possible emergence of deflationary tendencies consequent upon the very heavy fall in military expenditure, and I reminded the House that, owing to the difficulty experienced by our industries in obtaining adequate quantities of capital equipment from abroad, they would not be able to do a great deal next year to replace the economic activity engendered by the vast military expediture of recent years. There is, however, one direction in which the private sector of the national economy can do much to help. I mean, of course, building, which has been almost at a stand-still, except for war purposes, for the past five or six years. The great advantage of a large building programme is that the ratio of labour costs to total costs is high and so, therefore, is the employment factor. Apart from the offer of subsidies for working-class dwellings which I have already mentioned, Government are doing all they can to assist by increasing the free availability (but by this expression I do not, of course, mean free of cost) of bricks, timber, cement and steel. But so important do I regard private building as an anti-deflationary activity that I have felt justified in going further and in making a contribution in the fiscal field. I am, therefore, proposing some income-tax relief where new buildings are begun and completed within the next two years. For residential buildings, I propose a two years' income-tax exemption and for buildings used for the purposes of the business, profession or vocation I propose that the initial depreciation allowance should be 15 per cent. instead of 10 per cent. These proposals are contained in a Bill to amend the Income-tax Act which is being put before the House. As next year's estimates are not likely to be affected, no provision has been made on this account.

46. And now I turn to greet the ordinary direct tax-payer, and I hope that, on reading tomorrow morning what I have to say, he will think the greeting cordial, or at any rate, as cordial as any greeting between an Income-tax Officer and an assessee can reasonably be expected to be. In my judgment, the steep rise in direct taxation inseparable from the war has borne more heavily on the man of moderate means and particularly on the man with a moderate fixed income than on almost any other class of tax-payer. I think the time has come to give him some relief. I propose to do this in two ways. First, by reducing the rate of tax in the lower ranges and secondly by increasing the earned income allowance. As to the first, I propose to reduce the rate on the

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second income slab of Rs. 3,500 from 15 pies to 12 pies, and the rate on the third slab of Rs. 5,000 from 2 annas 1 pie to 2 annas. These two changes will cost about Rs. 1½ crores. As to the second, I propose to raise the earned income allowance from one-tenth of the earned income, subject to a maximum of Rs. 2,000 (in terms of income), to one-fifth, subject to a maximum (in terms of income), of Rs. 4,000. This relief will cost about Rs. 3½ crores.

47. I propose to take a further and, as I think, a logical step in carrying over the differentiation of treatment between earned and unearned income into the super-tax range. At the same time, I propose to increase the number of slabs in incomes subject to super-tax, the result being a more gradua steepening of the rates, although the rates will be more severe on the largest incomes than at present. The differentiation in favour of earned income is one anna in the rupee between Rs. 25,000 and up to Rs. 2 lakhs and half an anna between Rs. 2 lakhs and Rs. 5 lakhs. On the balance above Rs. 5 lakhs there is no differentiation. This proposal is estimated to yield about Rs. 75 lakhs. On merits, and as a partial offset to the loss of revenue involved in the three changes which I have just described, I propose to increase the rate of income-tax on the balance of income above Rs. 15,000 from 4 annas 9 pies to 5 annas. This will yield about Rs. 3¼ crores.

48. With two other and relatively minor changes I shall be done with my proposals relating to direct taxation. The first is a reduction of the rate on life insurance companies from 5 annas 3 pies to 5 annas. The second relates to the discontinuance of the provision for funding a portion of the tax in the case of incomes up to Rs. 6,000. The reductions in the rates on the lower slabs and the increased earned income allowance now proposed take away the justification for this provision. Salaried assessees, however, have to be given the benefit of the provision in the coming year, since they came under the scheme one year later than other assessees. These two proposals are estimated to cost Rs. 25 lakhs.

49. I have now dealt with relief to industry and to the man of moderate means and some of my Hon'ble Friends opposite will be wondering whether I propose to do anything for the poor man. In the field of direct taxation, I can obviously do nothing since he does not pay direct taxes. At least he does not pay them directly. The extent to which an increase or a decrease in direct taxation is passed on to him through the price of the articles he has to buy is one of the things which I hope that the proposed Taxation Enquiry Committee will examine and ascertain.

Nor is it easy to do very much for the poor man in the field of indirect taxation. The main advantage which he will derive from my proposals will be through the schemes, economic and social, which will be financed by the yield of the taxes contributed by the wealthier sections of the community.

But there are two other things which I am doing for the poor man, one negative and the other positive. As to the first, I do not think that any of my proposals will add to the cost of his essential purchases—indeed the contrary should be the case—and secondly, I propose to reduce the duty on kerosene, which plays so important a part in the economy of the poorer class households, from 4 annas 6 pies to 3 annas 9 pies an imperial gallon. This will cost about Rs. 65 lakhs, of which Customs will bear Rs. 60 lakhs.

50. And this brings me to my other indirect taxation proposals. I propose to continue (subject to some modifications) the general surcharge for one more year. In the customs tariff a small change is proposed in respect of "Wines". The rate of surcharge on "Wines", which is now one-fifth, will be raised to one-half, thereby bringing it on a par with "Spirits". I expect an increase of revenue by about Rs. 5 lakhs on this account. The duty on cinematograph films, both exposed and not exposed is at present assessed on *ad valorem* rates. It will be an improvement to convert this into a specific duty charged on footage, and this change, besides yielding an increased revenue of Rs. 45 lakhs, will make for administrative convenience.

51. In the interests both of the revenue and of the indigenous grower, I consider it desirable to raise substantially the duty on imported betelnuts. I propose to fix the duty (without any surcharge) at the standard rate of 54 annas a pound, with a preference of 6 pies a pound for British colonies. British colonies even now enjoy a preferential rate of 45 per cent. *ad valorem* against the standard duty of 54 per cent. *ad valorem*. The yield is estimated at Rs. 155 lakhs. I have considered very carefully whether, concurrently with an increase in the customs duty on imported betelnut, I should not reduce the excise on indigenous nuts, in view of the fact that the wholesale trade, instead of passing the whole tax on to the consumer, has tended to reduce the price paid to the grower, thereby diminishing the benefit which the latter has derived from the high prices resulting from the cessation of foreign imports during the war. Any such reduction would, however, I am convinced, be absorbed by the wholesale trade and would bring little, if any, benefit to the grower. I am satisfied, moreover, that the increase now proposed in the customs duty on betelnuts renders reduction of the excise less necessary, since wholesale prices ought thereby to remain hereafter at a level which will permit the payment of a reasonable price to the grower. I have, however, been very impressed by the grower's difficulties, which I believe to be rooted in the weakness of his bargaining position *vis a vis* the wholesaler and I think that the grower's interests will be best served by organising the marketing of his products in such a way as to strengthen his position *vis a vis* the wholesale dealer; by improving cultivation methods and, if possible, finding further uses for the nuts; and I propose accordingly to make an annual grant of Rs. 3 lakhs for the purpose of financing measures designed to improve the production and marketing of this crop.

52. I propose a change in the levy of duty on cotton. At present the customs duty on raw cotton is 1 anna a pound and a further duty of the same amount is levied under the Cotton Fund Ordinance of 1942. The Fund has a sufficient balance to its credit to carry out the purpose for which it was created and it is no longer necessary to aid the Fund by proceeds of the special duty. At the same time, general revenues cannot afford to give up the amount yielded by the duty and I propose to amalgamate the two charges into a consolidated duty of 2 annas a pound (without any surcharge) which will be leviable wholly under the Indian Tariff Act, the Ordinance being repealed.

53. I shall bring my indirect taxation proposals to a close with two important changes. The first relates to motor spirit and the second to bullion. It admits of no doubt that, if India is to advance economically and socially, a great improvement in her road communications will be necessary. Village must be joined with village, town with town and

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producing centres with markets. Although the supply of motor spirit is at present severely restricted, it is not too much to hope that before the next financial year is out both vehicles and petrol will be available in much greater abundance. I propose to encourage the use of road transport by reducing the rate of duty on motor spirit from 15 annas to 12 annas an imperial gallon. This will cost Rs. 165 lakhs of which the share of Customs will be Rs. 120 lakhs.

54. My last proposal under Customs is in respect of bullion.. As the House is aware, the Indian prices of gold and silver bear no sort of parity with world prices. The paucity of imports has, in a large measure, contributed to the present high and artificial prices. With the end of the war, and with the general restoration of normal trade in sight, we may expect the resumption of bullion imports, but we must be prepared to have ready a suitable machinery which will render it unattractive on the part of anyone to indulge in speculation and to hope to reap profits at present levels. I propose, therefore, to provide for the imposition of a specific duty on gold bullion and coin at the rate of Rs. 25 a tola of 180 grains fine. This rate will be varied from time to time by a notification under the Sea Customs Act, in order to attain in an orderly manner a reasonable measure of approximation to world prices. The House will appreciate the difficulties that lie in the way of framing any estimate of the likely imports during next year and the revenue that may result. I am, however, allowing for a revenue of Rs. 1 crore on this account, but the figure is no more than a shot in the dark.

55. As regards silver, the existing duty is 3 annas an ounce, with a surcharge of 7 1|5 pies. As it is proposed to have a specific duty (without surcharge) on gold, it is appropriate that the rate on silver should be brought reasonably in line, with gold. I accordingly propose to alter the existing rate to 8 annas an ounce, without any surcharge. At this stage I am making no revenue provision on account of this change in the tariff, but this must not be taken as meaning that I am satisfied that there will be no increase in supplies available to the market next year.

All these changes, except that in regard to raw cotton, are being put into immediate effect.

56. I shall now summarise the financial effect of the above proposals. In the field of direct taxation, my income-tax proposals will cost Central Revenues Rs. 21·50 crores, while the changes under customs and excise are expected to yield a net Rs. 5 lakhs. The estimated gap between revenue and expenditure will thus be increased from Rs. 48·71 crores to Rs. 70·16 crores. To bridge a part of this gap, I propose to transfer to revenue Rs. 26·10 crores, being the estimated balances in the two War Risk Insurance Funds, which sums are transferable to revenue in pursuance of the provisions of the relevant Acts. On the basis of these proposals, next year's deficit comes to Rs. 44·06 crores.

I have come to the end of my story. I have aimed at keeping the revenue at the level necessary to sustain and advance India's economy and I have tried to do this by distributing the burdens and the reliefs evenly and fairly over the various classes of taxpayers. Is it too much to hope that the last budget presented by a British Finance Member will be judged on its merits and will not be rejected on purely political grounds ? I humbly believe that my proposals will do something to help my Indian successor, who will shortly be taking over from me and to whom I wish the best of good fortune, to lead India farther along the road to prosperity, happiness and greatness." (*Applause.*)

THE HON. THE PRESIDENT : Hon. Member, before I adjourn the Council, I desire to remind you that a group photograph will be taken on the 6th March at 10-30 A.M., and, as this will be the last session of this Council, I desire that all Members should try to be present on the occasion.

THE HON. MR. M. THIRUMALA ROW : On a point of information, Sir. Are two days allotted for Budget discussion ?

THE HON. THE PRESIDENT : No, only one day is allotted so far as this House is concerned. If the Hon. Member desires two days to be allotted, he must make his request to the Honourable the Leader of the House. The House will adjourn till the 6th March, and in the meantime I understand the Leader of the House will approach His Excellency the Viceroy and see if he can have the 8th March also allotted for Budget discussion.

The Council then adjourned till Eleven of the Clock on Wednesday, the 6th March, 1946.

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COUNCIL OF STATE

Wednesday, 6th March, 1946

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

MEMBER SWORN

The Hon. Mr. Harry Douglas Townend (Bengal Chamber of Commerce).

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 a copy of the Bill further to amend the Insurance Act, 1938, which was passed by the Legislative Assembly at its meeting held on the 28th February, 1946.

STANDING COMMITTEE FOR THE COMMONWEALTH RELATIONS DEPARTMENT

THE HON. THE PRESIDENT : With reference to the announcement made by me on the 28th February, 1946 regarding nominations to certain Committees, I have to announce that the following Hon. Members have been nominated for election to serve on the Standing Committee for the Commonwealth Relations Department :—

1. The Hon. Sir David Devadoss.
2. The Hon. Mr. M. Thirumala Row.
3. The Hon. Sir Sobha Singh.
4. The Hon. Mr. M. N. Dalal.

There are four candidates for four seats and I declare them duly elected.

STANDING COMMITTEE FOR THE INDUSTRIES AND SUPPLIES DEPARTMENT

THE HON. THE PRESIDENT : The following Hon. Members have been nominated for election to serve on the Standing Committee to advise on subjects with which the Department of Industries and Supplies is concerned :—

1. The Hon. Khan Bahadur Karamat Ali.
2. The Hon. Mr. Surput Singh.
3. The Hon. Mr. M. N. Dalal.
4. The Hon. Mr. Abdool Razak Hajee Abdool Suttar.

There are four candidates for four seats and I declare them duly elected.

GENERAL DISCUSSION OF THE GENERAL BUDGET, 1946-47.

THE HON. THE PRESIDENT : Hon. Members, we will now proceed with the General Discussion of the Budget (Part II). As only one day has been fixed for this general discussion and as there are many members who wish to speak, I have decided to fix twenty minutes time-limit for all members, but I shall allow the Leaders of Parties ten minutes more.

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : Mr. President, the Finance Member's speech is a notable departure in spirit from the speeches of the previous Finance Members. When the Finance Member says that "India is still confronted by a whole array of dangerous and enduring enemies—poverty, squalor, ill-health, illiteracy, under-nourishment and under-employment" he reminds one of the words used by Sir William Beveridge in his report on Social Security. He justly claims that "fiscal policy is merely one of the means to achieve national policy" and that in the present proposals, that is in the proposals which he has submitted to the House, he has "kept these long-term aims in mind". He has enunciated a policy which Indians have been insistently and unanimously demanding for so many years. There are some points

[Pandit Hirday Nath Kunzru]

in the speech that are open to criticism ; but I think everyone who goes through it will be struck by the desire of the Finance Member which is evident on every page of the speech to do what he can to further the economic interests of India. He has—I think it can be said without any exaggeration—tried to look at our problems from the standpoint that a Finance Member of a National Government would have adopted.

I shall express my views regarding the financial proposals and the duty on imported betelnuts which are opposed to at a later stage. I may say however that the net effect of the remissions and the new taxes proposed by the Finance Member is to reduce taxation by about 21·05 crores.

Sir, since the economic development of India is the most important topic that should occupy our attention in connection with the Budget, we have to ask ourselves whether such arrangements have been made as will enable the Government to provide the largest sum possible for the development of the agricultural and industrial resources of the country. I shall deal in a moment with the actual situation as it is likely to be in consequence of the demobilisation of the army and the sums which have been set apart by the Central Government for capital expenditure. But I should like to say before I deal with these matters that this is a time when Government ought to see whether it is possible to save money in other directions so that as much as possible might be available for the achievement of the aim which the Finance Member has set before himself. There may be very little scope for retrenchment or economy and I am not for reduction of expenditure merely in order to reduce the expenditure provided for in the Budget to the smallest dimensions but I do want that every rupee of our expenditure both civil and military, should be used to the best advantage of India. I suggest therefore that steps should be taken to examine the present expenditure with a view to determining whether it is necessary or desirable and the utilisation of the money that may thus be set free for the achievement of those broader aims which we all have in view.

Now, Sir, as regards the future economic condition of the country, the Finance Member has told us that the reduction in the combined expenditure of the British and Indian Governments in India will be of the order of about 600 crores. We have to consider two factors in this connection. The expenditure incurred on behalf of His Majesty's Government in this country, though large, was not of such a character that its cessation may vitally affect the economic future of the country. Indeed, the quantity of goods available was so small that the Indian Legislature protested year after year against His Majesty's Government drawing on our slender output of goods in order to satisfy its demands. The reduction in the expenditure on behalf of His Majesty's Government should, therefore, enable the public to have a larger amount of consumer goods and as at present there is sufficient money available in the country I do not think that the large reduction in the British Government's expenditure in this country can have any deleterious effect on our economy. As for the rest, the Central Government have provided for a capital expenditure of the order of 100 crores. Then there are the Provincial Governments which are anxious for the development of their Provinces. What will be the total amount of money that they will be able to incur during the next five years it is not possible to say with certainty, but I think we may well feel sure that the total development expenditure of the Central and Provincial Governments will not amount to less than 150 crores. This is not a large sum at all and if we are to provide employment for those who will soon be without jobs the agricultural and industrial development of the country must proceed at a much more rapid rate. During the next two or three years, however, we shall be faced with serious difficulties and I am afraid that even the comparatively small amount of capital expenditure which the authorities are prepared to undertake may not materialise on account of the difficulty of purchasing the necessary machinery and equipment. This is a matter, Sir, which deserves the serious consideration of Government. I have no doubt that it is engaging their attention but in view of the situation that confronts us and the immensity of the problem that will have to be

faced during the next two or three years I think it is necessary that both the Government and the representatives of the people should, acting together, put forth their best efforts in order to secure for India those capital goods without which the advance that we desire cannot be achieved.

Sir, there is much that can be said on the subject of India's economic development but as we shall have other opportunities of dealing with this topic I should like for the moment to confine myself to questions that are largely of a financial character. There are many topics of this kind, Sir, which can be discussed in connection with this Budget but I should like to refer first to the question of the Dollar Pool. The debate that took place in this House on the subject a few days ago and the observations made by the Finance Member in his Budget speech have, I confess, come as a surprise to most of us. We certainly thought that the total dollar exchange which India earned during the war was much more than the sum which the Finance Member tells us would have stood to the credit of India had no expenditure been incurred. I think he has said that India earned only about 363 crores of dollars. Out of this, he has told us that an expenditure of nearly 264 crores has been incurred. Now I should like to have some details in this connection. A brief statement like that made by the Finance Member will not satisfy the country. I think that we should be supplied with a statement giving a fairly detailed analysis both of the earnings and the expenditure. We should particularly like to know what were the goods which India bought for 264 crores. This is a subject of great interest to the public and I think both in the interests of the Government and of the country that the Finance Department should supply us with the fullest information on this subject.

Another point that I should like to discuss in connection with the dollar pool is the amount of dollars set aside for the future capital needs of the country. Sir Jeremy Raisman, in dealing with this point last year, made the following observations :-

"I referred last year to H. M. G.'s willingness to set aside, each year, as a special case, a part of the dollars accruing from India's export surplus to the U. S. A., an amount earmarked specifically for India's post-war development. After a very careful examination of current figures and tendencies, we have agreed to accept an amount of 20 million dollars for the calendar year 1944 and a similar amount for 1945, subject to re-examination later in the light of the relevant statistics for that year. This figure is, of course, in addition to what we need for current requirements."

According to the promise given to us by Sir Jeremy Raisman, 40 million dollars should have been set apart by now, but I find from the speech of the Finance Member that only 20 million dollars, that is, half of that sum, has been set aside. I should like to ask how it is that the promise which Sir Jeremy Raisman gave last year has apparently not been fulfilled by the Finance Member this year. What we wanted to know clearly is this. Have Government set aside a sum of 40 million dollars for future capital expenditure by India, or have they set aside, in clear violation of the promise given by Sir Jeremy Raisman, only a sum of 20 million dollars ? Apart from this, I should like to know whether a similar provision is going to be made next year, that is, in 1946-47. We know that according to article 7 of the U.S.A.-U.K. Loan Agreement His Majesty's Government will within a year of the conclusion of the Agreement provide sufficient dollar resources to enable the countries in the sterling area to meet their dollar requirements. We are of course not bound to accept the period of one year during which His Majesty's Government promise to bring about a change in the present system, but it is quite possible that we may be unable to persuade His Majesty's Government to provide us with dollar resources for our current requirements is less than a year after the conclusion of the U.S.A.-U.K. Agreement. It is desirable, therefore, that the provision which was made for the years 1944 and 1945 should be repeated for the year 1946. I know that the Finance Member has said that India's ability to obtain the capital goods that she needs will not be prejudiced for want of dollar resources. But all the same I should like to know why the system that was initiated in 1944, and on which Sir Jeremy Raisman laid so much stress last year, has not been observed this year ?

A word more, Sir, about the dollar pool before I proceed to deal with other subjects. We have been told a great deal about the valuable help that the arrangements made for pooling the gold resources of the sterling area countries and some other countries have given to those countries. But

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so far as India is concerned, the Finance Department must know that the arrangements that subsisted for a long time in this connection gave rise to considerable dissatisfaction in India. The maintenance of the Gold Reserve Fund in England till recently was a subject of serious complaint; and almost till the war broke out, the diversion of gold coming to India by means of telegraphic transfers to England was another subject that gave rise to serious and legitimate complaint. In the face of these facts, to say that the century-old sterling area arrangement was convenient and economical to all the Governments concerned and should be maintained is, I think, to say the least of it to indulge in special pleading. Considering that the dollar pool will soon be dissolved, I wonder whether any purpose is served by the stress laid by the representatives of the Finance Department on its value in the past and the need for its maintenance in some form or other in future.

May, I now say a word, Sir, about our sterling balances. I referred, I think, about two years ago to the effect of the borrowings in India on behalf of His Majesty's Government on the Indian exchequer. I pointed out that according to our information the rate of interest allowed by His Majesty's Government on the sterling balances was much lower than the rate of interest which we had to pay on the money borrowed on their behalf in this country. Now, Sir, I take it that the surplus profits of the Reserve Bank are really due to the interest obtained by the Reserve Bank, or are at any rate largely due to the interest accruing to the Bank on the sterling balances. I find that the revised estimates of the surplus profits for 1945-46 amounts to about Rs. 14·69 crores and that for 1946-47 to Rs. 14·70 crores. So far as we know, the amount of the sterling balances has increased substantially during the last 12 months; yet, the interest receipts remain the same. It seems to me, therefore, that the rate of interest which was already meagre has been further reduced by His Majesty's Government. It seems that it amounts to less than one per cent. May, I therefore, request the Finance Secretary to throw more light on the matter than the Explanatory Memorandum does, so that we may know where we stand with regard to this important question?

Sir, the question of the availability of our sterling balances for the economic development of the country is a very important one. In view of the observations made by the Finance Member on the Subject I do not propose to dwell on it at any length. But I will say before I pass on to other topics that the ability of India to obtain dollar resources will depend not on the maintenance of the old arrangements for pooling the gold resources of the sterling area countries but on the conversion of a part of our sterling balances into dollars. These sterling balances will be our main source of dollar supply. To the extent that the Government of India can help us in putting forward our case in this connection they will enable us to obtain the resources that we badly need in order to bring material happiness and prosperity to the country.

Now, Sir, I should like to say a word about what the Finance Member said with regard to the restriction of the rate of dividends. I must say frankly thar I am entirely in favour of it. But there is one important matter in this connection which, I think, has not yet received the attention of the authorities. It is not enough that large companies should be floated or that the material development of the country should proceed rapidly. We have also to take care that the interests of the small holders are adequately protected. The state of things at present is such that the affairs of companies, particularly of the bigger concerns, are managed by a few people. The small shareholder has hardly any voice in the management of these concerns. I think it is time that the Government stepped in, in order to protect the smaller shareholder. I cannot make any concrete suggestions on this score but I draw the attention of the Government to this matter because, so far as I know, no reference has ever been made to it in the past in official speeches. I hope that if Government takes steps in the direction desired by me, they will also be able to inspire confidence in the small investor and persuade him to invest his earnings in productive undertakings.

And now, Sir, I shall say a few words with regard to the Army——

THE HON. THE PRESIDENT: You say a very few words because already your time is exhausted.

THE HON. PANDIT HIRDAY NATH KUNZRU: I shall say a very few words only about the Army. There are two questions I want to deal with in this connection first, the question of Army expenditure, and secondly, the policy that the Government propose to follow in connection with the nationalisation of our forces. As regards the expenditure, since we do not know what the future size and composition of the forces will be, it is very difficult for us to offer any observations which will be of any use. His Excellency the Commander-in-Chief appointed a Committee to consider this matter, I think, about 18 months ago and we thought that we would be able to know by the time this Budget was presented what the decision of the Government on the subject was. But, even if it is not possible for His Excellency the Commander-in-Chief to tell us what the strength and composition of our armed forces will be, I hope he will be able to tell us whether the Viceroy's Commissioned Officer is to be retained or whether his place is to be taken by the Indian Commissioned Officer. He knows the important issues which have to be considered in this connection. We are most concerned with the question of the nationalisation of our armed forces. It is desirable, therefore, that the available supply of Indian officers should be made use of in order to replace British officers. If we try to nationalise the Indian Army and at the same time to appoint Indian Commissioned Officers as platoon commanders, our task will become unnecessarily difficult. There is another point which I would like to place before His Excellency the Commander-in-Chief in this connection. It has been decided that permanent commissions in the Indian Army should in future be given to Indian officers only, and that such British officers as are needed should be obtained by means of secondment from the British Army. The purpose of the secondment will be lost unless the arrangements that we make for the nationalisation of the army are such that Indian officer may go on steadily and rapidly replacing the British officers. If this point of view is accepted, then I think it is necessary that junior officers, that is lieutenants and captains, particularly the lieutenants should be Indians. We have at present 9,000 Indian combatant officers. Government have thus a vast field to choose from. I do not know the total number of officers that will be required for our armed forces. But whatever the number may be, I think it ought to be possible for us to fill the junior ranks of the army with Indian officers. Then we can be sure that British officers, whether attached to the Indian Army, will not be kept unduly long.

THE HONOURABLE THE PRESIDENT: Please bring your remarks to a close.

THE HON. PANDIT HIRDAY NATH KUNZRU: I will very soon do so. But if that is not done and Indian officers and British officers are spread in the Indian Army from top to bottom, then it will simply mean that the Army authorities want to establish a certain proportion between the British and Indian officers. Now, this is not what we mean when we ask for nationalisation.

THE HON. THE PRESIDENT: You could reserve your remarks on this subject for the Finance Bill.

THE HON. PANDIT HIRDAY NATH KUNZRU; I will reserve my remarks for the Finance Bill. Since you are of that opinion, I will do that. But perhaps you will allow me to make one or two observations of a financial character——

THE HON. THE PRESIDENT: I have already allowed you 40 minutes.

THE HON. PANDIT HIRDAY NATH KUNZRU: I am sorry to request you to give me two minutes more.

THE HON. THE PRESIDENT: There are other speakers and I have to look to their interests as well.

THE HON. PANDIT HIRDAY NATH KUNZRU: I do not want to take up any more time. I do not want to be unfair to any other member. But I shall very briefly say that I should like to ask for full information with regard to

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the agreement arrived at last year between the Indian Government and His Majesty's Government regarding the apportionment of the non-effective charges between the two Governments, particularly with regard to the casualty lists. We should be supplied with a statement giving full information on this subject so that we may feel that no injustice has been done to Indians in this matter. The second thing that I should like to say is this. While we shall need adequate forces to maintain the security of India in the future, while we recognise the world as it is requires that we should be prepared to guard our hearths and homes, the Army budget can still be reduced. To mention only one subject, there is a Resettlement Directorate in the Army. Civil expenditure on this account will be a little over 6 crores, and as according to the Finance Member the resettlement of demobilised personnel will be the responsibility of the civil authorities, I do not see the need for incurring any large expenditure on this subject by the Army authorities. I should therefore like to know what the strength of the Resettlement Directorate in the Army is and what is the total expenditure incurred on it ?

THE HON. MR. M. THIRUMALA ROW: I wish to make a representation, Sir. I would request you to follow some rule in calling people to speak on the discussion of the Budget, having regard to the people they represent and the Parties in the House.

THE HON. THE PRESIDENT: I quite understand that matter. On the Budget discussion it is my policy usually to give commercial members first audience. They understand commercial matters better than politicians.

THE HON. MR. M. THIRUMALA ROW: I protest against your remarks against other members of the House. We will leave the House.

THE HON. MR. HOSSAIN IMAM: If that is your opinion, we will leave the House.

THE HON. THE PRESIDENT: That is my opinion. Please sit down.

THE HON. MR. HOSSAIN IMAM: If that is your view, we would rather not remain here if politicians are not wanted by this Government.

THE HON. MR. M. THIRUMALA ROW: We represent a bigger electorate than the commercial people and we resent your remarks against the other members of the House.

THE HON. PANDIT HIRDAY NATH KUNZRU: Perhaps you will make it clear that no reflection is meant on elected member of this House.

THE HON. THE PRESIDENT: The President calls such members to speak as he thinks proper. I have also to look to the House and see which member they would like to hear first in preference to other members. I have made no reflection on any member.

THE HON. MR. HOSSAIN IMAM: It is no part of the duty of the President to make disparaging remarks against elected members.

THE HON. THE PRESIDENT: I have said I would give preference to people employed in commerce and industry at the time of the Budget.

THE HON. MR. HOSSAIN IMAM: May I suggest that your statement that commercial men understand things better than politicians should not remain in the proceedings.

THE HON. THE PRESIDENT: That is my opinion.

THE HON. SIR SHANTIDAS ASKURAN (Bombay: Non-Muhammadan): Mr. President I was happy to read in the morning papers that my Honourable friend the Finance Member in replying to the debate in the other House has shown his readiness to meet the just demands of the people.

THE HON. MR. M. THIRUMALA ROW: On a point of order, Sir. Is manuscript eloquence allowed in this House? I want a ruling from you, Sir. It is clearly mentioned in the rules that manuscript eloquence should be reduced to the minimum.

THE HON. THE PRESIDENT: I have discretion to fix the time-limit. I have already shown the House much indulgence in that matter. I do not wish to hear anything more on the subject.

THE HON. SIR SHANTIDAS ASKURAN: Hitherto, our experience has been that the Treasury Benches always believed themselves to be right in whatever action they took and paid little heed to the suggestions made by commercial bodies or Hon. Members on this side of the House. We have been treated to the stereotyped reply: "We do not agree". As a result of this irresponsiveness the country has suffered a great deal. It is really encouraging to find the Hon. the Finance Member agree to revise the taxation proposals in response to the wishes of the Opposition. Sir, if the Government members in the past had shown the same spirit and understanding as the Finance Member, the relations between India and Britain would have been very different today.

Therefore it is in no conventional way that I offer my congratulations to the Hon. the Finance Member on the way he has framed and presented his Budget. It is a unique Budget with many new features which have come as an agreeable surprise to the public- particularly its refreshingly new approach to the whole problem of post-war finance and economic reconstruction. I cannot pretend that I am pleased with all that it contains nor am I satisfied that the Hon. the Finance Member's proposals go as far as the situation demands. But it would be generally agreed that it covers ground which his predecessors had unfortunately neglected and makes a fair attempt to do justice to all interests.

At the present time when we have emerged from the enormous strain of the most taxing and ruthless war in history and have to face the no less strenuous task of peace reconstruction and of building a new economy, the first two tests which we should apply to any budget are these. To what extent does it increase the purchasing power of the people, and how far will these proposals help in reducing unemployment? I am glad, Sir, that the Hon. the Finance Member has exerted himself in both these directions. I welcome his statement that every policy must subserve the ends of national policy and that the purpose of any fiscal policy should be not merely to raise a given revenue but to raise it in such a way as to obtain the maximum social and economic advantage and to distribute the burden as justly and as fairly as possible between the various classes of tax-payers. In former years there was unfortunately too great a tendency to think only of the revenue aspect and neglect the other aspects—particularly, the effect of taxation on the country's economy and production.

The Hon. the Finance Member has, I am glad, frankly expressed himself conscious of the depressing effect on industrial enterprise of a high level of taxation on profits, and he has further declared his conviction that it is the expansion of industry which holds out the earliest promise of increasing the national income and raising the standard of living in this country, although India will not achieve the maximum of economic health and wealth until agriculture as well as industry have multiplied their productivity many times. That is exactly the stand which we on these Benches have taken, and it has been our complaint that the Government's policy, not only in taxation but in other matters also, has brought down both industrial and agricultural production and increased economic suffering. The decision announced by the Hon. the Finance Member to discontinue the Excess Profits Tax, though as he admits it will not give immediate relief to that class of tax-payer is the right one. It will help to rehabilitate industry, open up new avenues of employment, afford scope for increased technical training and save the country from

[Sir Shantidas Askuran]

dependence on foreign imports, provided of course the Government help actively in getting all the capital goods required.

In one respect I am grievously disappointed. I had expected, as I am sure all members here on this side a very big reduction in military expenditure, as actual hostilities had ceased six months back. The reduction, according to the revised estimates is only about 17 crores—a mere pittance compared to the budget estimate of Rs. 394 crores. The Government are fully aware that the masses of this country are suffering from want of adequate food supplies, cloth and necessities of life owing to scarcity and high prices. Even those of the middle classes are finding these prices beyond their means. It is the Government's duty to revert as soon as possible to pre-war peace standards subject only to such modifications and increases as are necessary for administrative efficiency or for increasing the country's production and improving the people's well-being. I trust the Hon. the Finance Member will ask every Department, particularly the Military Department, to curtail its expenditure to the minimum. It is necessary to dispense with all superfluous jobs and close down those departments for which there is no need, specially those departments which have become the hotbed of bribery and corruption and increased the hardships of the people without in any way serving the public.

At the same time, Sir, taking the budget proposals as a whole, I cannot help feeling that the Hon. the Finance Member has not provided adequate relief to the poor and middle classes. A small reduction in the kerosene duty and certain adjustments in the lower grades of income-tax are all the concessions to these classes which we find in the Budget. He himself seems to be conscious that he has not been able to do much for the poor man, for he says in his speech :—

" In the field of direct taxation, I can obviously do nothing since he does not pay direct taxes. Nor is it easy to do very much for the poor man in the field of indirect taxation. The main advantage which he will derive from my proposals will be through the schemes, economic and social, which will be financed by the yield of the taxes contributed by the wealthier sections of the community ".

That cannot be very consoling to the hard-hit classes who—I am referring also to the lower middle classes—are on the verge of starvation owing to high prices and present economic conditions.

May I make one suggestion to the Hon. the Finance Member ? The country is threatened with famine which according to the Government representative in Washington may be worse than even the 1943 famine. Already a number of areas in Bombay and Madras Presidencies and other parts of the country have been badly affected. Even the Government are not able to state with any precision what the shortage will be this year—different figures are being given by different people. Nor is it possible to say how much India can hope to get by imports. May I suggest, however, that as one important measure of relief, the Finance Member should allot large funds for opening common kitchens in affected areas—free kitchens to the starving and destitute and cheap kitchens to the workers and middle classes. If they are organised on a large scale and started without delay, they can be of immense help in this crisis. I have no doubt Provincial Governments will also make funds available from their own resources, and even the public should consider it a privilege to contribute to so noble a cause. It should be remembered that it is not merely scarcity that is the cause of starvation, but very often the big rise in prices of foodstuffs which makes it impossible for the man with the small income to get what he needs for his existence. If the Hon. the Finance Member takes the lead and makes a large contribution for such a humanitarian purpose to save these poor and innocent people from starvation for no fault of theirs it will have heartening effect. I find from today's papers that for Maharashtra and Karnatak a Central Famine Relief Committee has already been formed with Mr. Thakkar as President to organise non-official relief and collect funds. To meet such widespread distress, covering so large an area in the country, it is necessary, however, that the Government should be first in the field and offer all necessary help without minding the cost. This will save millions of lives and themselves from humiliation.

Let me now pass on to the question of the sterling debts due to India. For months past we have been demanding that it is wrong to go on accumulating sterling balances even after the cessation of hostilities. The Committee of the Federation of Indian Chambers of Commerce and Industry in its statement has called the Government's attention to this point and asked why no action has been taken by Government to obtain tangible and other assets against India's supplies of goods and other services to Great Britain since the termination of the hostilities and thereby prevent further accumulation of sterling balances. It should be possible at least now for the Finance Member to give a definite undertaking that there will be no further addition to the sterling balances. The whole question of the liquidation of sterling balances and proper terms of settlement should be decided now and not postponed to a later date as indicated by the Finance Member. Without such a settlement it would be difficult to create an atmosphere of confidence in the country and ensure public co-operation.

According to the Budget figures India's total debt at present amounts to about 1700 crores. That figure represents approximately India's credits now lying accumulated in England. It cannot be forgotten that it is no ordinary debt. It represents the resources and services which India raised and supplied to England during the war period—the sum total of all the huge sacrifice which India has to make in order to help Britain in this time of need. And the effect of all these operations on the general economy of the country and the condition of the people has been seen in the big rise in the cost of living, in the scarcity conditions prevailing in many parts of the country, the fall in production and similar factors which we are still obliged to face. To mention only one instance, while in England the prices of essential articles did not generally rise beyond 50 per cent., the cost of living in India has gone up by 200 per cent. or over. On the other hand there is the admitted fact that organisations like the U. K. C. C. which were making purchases on behalf of Britain made their purchases in this country at specially controlled rates and to that extent helped Britain directly. I am not referring to these facts in any spirit of complaint but only to appeal to the Hon. the Finance Member to bear in mind what India has suffered, what India is suffering today, as a result of all these sacrifices and therefore insist that now that the war is over and India has to face the problems of the post-war period, there should be an immediate and equitable settlement of the sterling balances without which India cannot hope to advance at all.

Incidentally I would like to draw the Hon. the Finance Member's attention to the way in which the enforcement of controlled rates for certain important commodities are operating even today in the country, to our own detriment and for the benefit of outside interests. Take the case of cotton. The controlled prices in India are much below the American prices in parity and these prices are going up every day. The American price has gone up by 4 cents per pound after the fixation of cotton prices. Even then Critain and the Continent are buying our cotton freely at the low controlled rates. If the Government of India do not consider seriously the short cotton stocks at present in the country and the crop figures for next year and take steps in time our mills and handlooms will be forced to curtail their production. The shortage of cloth which is already a serious problem will be further intensified, and we may have to face in addition to a food famine a cloth famine also. It is due to such short-sighted policies that both agriculturists and consumers have suffered and will suffer.

One word, Sir, about the new duties on gold and silver which the Hon. the Finance Member has proposed. I am afraid it is an unwise step and, far from serving the objective he has in view, may have undesirable results. No country in the world has such duties. As he knows, gold and silver are not exactly luxury commodities. They are widely in use in this country among all classes even in the villages—for marriages and similar functions. These heavy duties which he has imposed will not hit the rich so much as the poor. And there is another danger against which I have to warn him. The Government have not been able to put an end to bribery and corruption—their own administration. For years past the Customs Department has been trying to prevent smuggling of precious metals, but it is still going on. Is there not a danger that these heavy duties will only serve as a

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further incentive to smuggling and defeat the very purpose of these duties. As the Hon. the Finance Member himself has indicated it is impossible to say to what extent imports of gold and silver will be possible next year and whether they will bring any big revenues at all. Where then is the need for rushing in now with these duties. I hope the Hon. the Finance Member will reconsider his proposal.

There are a few other points arising from the Budget which I would like to deal with, but I shall reserve them for the debate on the Finance Bill.

THE HON. THE PRESIDENT: I would like to ask the Hon. Mr. Hossain Imam whether, as Leader of his Party, he would care to speak now.

THE HON. MR. HOSSAIN IMAM: No, Sir. I think it is better that the commercial members should speak first.

THE HON. THE PRESIDENT: Then the Hon. Member will have to wait till I call upon him again.

THE HON. MR. M. N. DALAL (Bombay City: Non-Muhammadan): Mr. President, the new Finance Member in his first Budget speech, and, as he expects, his last, has dealt with the problem ingeniously, though how satisfactorily will only be known in practice in time to come. His predecessor had to deal with war problems, whereas it has been his fate to deal with the difficult problems of a transition period which does not mean an immediate come-back to the pre-war problems. It is a bold Budget and the Hon. the Finance Member had grappled with the problems of the transition period by a reconciliation of conflicting tendencies and divergent views.

Coming, Sir, to a few of the salient points in the 20 new proposals for the year 1946-47, I appreciate the withdrawal of the excess profits tax from the 31st March, 1946, in consonance with the wishes of the Indian commercial community. I also appreciate the relief in initial depreciation allowances, dropped last year and put into force again this year, of 10 per cent. on new buildings and 20 per cent. on new plant and machinery. The reduction in the corporation tax is also a step in the right direction. Apart from the relief, the method of advance collection of income-tax and super-tax under section 18A should now be terminated since the war is over and deflationary tendencies are beginning to set in. This advance payment of income-tax and the penalty enforced for under-estimating the income have created innumerable difficulties to the assessee and I am strongly of the opinion that it should be withdrawn forthwith. With regard to the proposal of the Hon. the Finance Member to transfer the 26·10 crores from the two War Risk Insurance Funds to the General revenues, I for one would have suggested that a similar amount should have been earmarked for industrial research, for which we have made no provision, especially in view of the fact that these amounts have come from our industrial concerns in this country. I am aware, Mr. President, that relief is given by way of income-tax and super-tax for scientific research according to the suggestion of the Shanmukham Chetty Committee, but I would impress upon Government the necessity also of giving effect to the second recommendation of the same Committee, namely, that relief must be given for losses and expenditure that might have to be incurred for reconversion of our industries from war to peace-time.

I welcome the proposal of the Hon. the Finance Member for an Industrial Finance Corporation, a National Investment Board, and, last but not least, a Taxation Inquiry Committee, to determine the incidence of taxation in this country. Apart from the association of experts with these three important bodies, I would suggest that Government should associate members of Indian trade, commerce and industry so that they may be able to weigh the incidence of taxation in this country from an industrial point of view.

The Hon. the Finance Member says that during the year 1946-47 the United Kingdom may succeed in not increasing our sterling assets, or may even succeed in decreasing them by a very vigorous export drive. Mr. President, in any such vigorous export drive from the United Kingdom, I would request the Government to see that such drive relates merely to capital goods and only to such consumer goods as may not be injurious to our nascent Indian industries. I would prefer to reserve my rmarks on the Financial Settlement with the United Kingdom, which has been prolonged for one year, and the sterling assets and the Empire Dollar Pool, in view of the fact that we still want a considerable amount of enlightenment on several points in respect of these three very important problems.

At the moment, I, for one, Sir, am satisfied with the assurance given by the Government of India that they will associate people enjoying the confidence of this country and will take them into confidence before arriving at a solution of these three vitally important problems.

But, Sir, I beg to disagree with the plea of the Hon. the Finance Member when he says that it is premature and not in the interest of this country to sever from the Dollar Pool since our sterling balance of trade with the U. S. A. has been against us for several months. Mr. President, for a period of years when our balance of trade was favourable with the U.S.A. dollars accrued thereby the same were credited to the Empire Dollar Pool without consulting us and in spite of repeated protestations. Now that the balance of trade has been against us, we have been told that it is not to India's advantage to withdraw. I must remind the House, Sir, that the unfavourable balance of trade with the U. S. A. is of a transient or passing nature and what is more important is the question of principle involved and we would rather risk the unfavourable balance of trade than continue to be a member of this Pool.

Then, Sir, the proposed duty on gold bullion and coins has been a novel one unprecedented in the monetary history of any progressive State. The justification for this impost is all the more inexplicable in view of the fact that India exported a considerable amount of gold in the pre-war years at the rate of Rs. 35 per tola, and when imports are opened and when we can bring the metal into this country, we have to pay Rs. 25 a tola more to get it back. Besides, the imposition of this duty only three days after the issue of an Ordinance by the Government of India declaring the forward markets open has created great repercussions in the Bombay market completely upset it. Mr. President, we may have no sympathy for speculators, but this particular duty has come in at an inappropriate time creating hardship even to *bona fide* business-men.

I would, therefore, suggest for the consideration of Government that they should put a total ban on the import of gold into this country, Government themselves purchasing in foreign markets and re-selling it in India.

THE HON. THE PRESIDENT: Is there parity between world prices of gold and Indian prices?

THE HON. MR. M. N. DALAL: There is not. That is why I am suggesting that Government only should buy from foreign countries and sell it in this country, instead of having a duty on it. Thereby Government will make its profit, which will serve Government's purpose, and at the same time it will prevent exploitation not only by foreign countries but also by individual importers in India.

Again, Sir, when crores have been spent in this war, I wish the Hon. the Finance Member gave a free outright subsidy to the cultivator, especially in the deficit provinces, so that all uncultivated land could be brought under the plough and cash crops could be converted into foodgrains, which has been the policy of the Government of India. Such free outright subsidy would mitigate at least, if not avert, the threatening famine in this country.

In conclusion, Mr. President, I might say that the Budget on the whole has been well received and is a good attempt to tide over the difficulties of the transition period. I do not think it affects directly the man in the street. None of the 20 new proposals put forward for 1946-47 affect directly the man in the street. I

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welcome, Sir, and appreciate the reduction in the poor man's duty on kerosene. But I wish I could say the same about his postal rates, specially in view of this Department having made this year a profit of Rs. 10 crores.

I wish, Sir, I could say the same about his salt and betelnuts, about his tobacco and matches, his only luxury in life after scarcity and high prices during the seven years of war.

THE HON. THE PRESIDENT: Hon. Mr. Thirumala Row.

THE HON. MR. M. THIRUMALA ROW (Madras: Non-Muhammadan): Sir, I am not going to take part in the discussion in today's debate unless the unnecessary and uncalled for remarks you made about the members of this House are expunged from the reports.

THE HON. THE PRESIDENT I did not say that. If you do not wish to speak, I have no desire to ask you to speak.

THE HON. MR. M. THIRUMALA ROW: It is there, Sir ; it is in the proceedings.

THE HON. THE PRESIDENT: You are a new member. You are not aware of the practice. The President of the Council is in charge of the House. He can select speakers at his own pure discretion. He is entitled to call any member whom he thinks proper and I have made no reflection whatever on any member. I have only pointed out that it is very desirable to call upon commercial members to give them a prior audience in preference to others.

THE HON. SIR MAHOMED USMAN (Leader of the House): Now that the President has assured the House that he meant no reflection——

THE HON. THE PRESIDENT: I did it twice.

THE HON. SIR MAHOMED USMAN May I appeal to the Hon. Members opposite not to pursue the question ? The President has clearly stated that he meant no reflection. I think that is enough. I would appeal to Hon. Members not to press the point again.

THE HON. MR. HOSSAIN IMAM: What we took objection to was to these words, that commercial members understand better than politicians.

THE HON. THE PRESIDENT: I did not say that.

THE HON. MR. HOSSAIN IMAM: If it is in the record ?

THE HON. THE PRESIDENT: I said I would give them first audience.

THE HON. MR. HOSSAIN IMAM: If it is only meant to give them first audience then we have no objection. It is entirely in your discretion.

THE HON. MR. M. THIRUMALA ROW: I simply made a request, Sir, that representatives of Parties may be given preference in calling. You have given a reason why you have not been calling any particular member.

THE HON. THE PRESIDENT: I always give preference to Leaders of Parties. It has been my practice for 12 years.

THE HON. MR. M. THIRUMALA ROW: My Leader is absent. I represent my Party.

Mr. President, before proceeding with my remarks on the Budget I wish to draw the attention of the House to a very serious piece of news that has been conveyed to the public through newspapers about the railway disaster that has occurred very recently somewhere near Lucknow. The East Indian Railway has

been notorious for having such series of disasters in the past and we thought that God has spared us these things for some time ; but another disaster has overtaken the travelling public very recently. I trust the sympathy of this House will go to all those that have been affected by this disaster and the Railway Board will try to tighten up its control over these matters and see that such things do not recur hereafter.

Another matter which has got a bearing on the Budget and which has been engaging the attention of members of the Assembly and the public is the threatened strike by postal employees. This morning's papers tell us that some sort of agreement has been affected between the authorities and the employees and we hope that something will come out which will satisfy the legitimate grievances of a large number of employees on whose efficient service depends the prosperity, trade and the safety of this country.

Coming to the Budget proper, it is the budget of a member who is not a sun-dried bureaucrat and he has therefore brought to bear on the Budget a fresh outlook of a liberal British gentleman who wanted to give a new orientation to the things that have been happening here. Last year there was no hope when the Budget was presented that the war would come to such a sudden collapse. But today in this year's Budget we are compelled to make provision for deflection and also to switch on with the minimum shock to peace-time budget. But still, the sorrowful legacies of the past and some hopeful aspiration for the future are manifest in the Budget document. In the limited time at my disposal it is not possible for me to deal with all the points that I want to deal with. But with regard to many things, the arrangement of business in this House is a handicap. The whole press, the whole country, the Legislative Assembly, have all discussed it and we have to discuss it at a very late stage when perhaps very little new light can be shed on the Budget. But still we have to deal with it as a constitutional body.

I want to deal with certain aspects of the Budget only. The military expenditure is at a very high figure. The authorities themselves do not know what exactly they are going to do with regard to the future military arrangements of this country. But from the statements made by Mr. Attlee in the British House of Commons and from the very troublesome atmosphere that the British Army is faced with all round, either in Egypt, Palestine or India and Indonesia, they want to maintain the troops at a certain level in the British Army for the safety and the maintenance of law and order in the British Empire. I deem it that the very heavy Budget figure for which provision has been made in this year's Budget is a part and parcel of the larger scheme of maintaining law and order in the British Empire. They want to keep a large number of troops in India also without demobilising them in order to face any contingency that this anti-Imperial policy may engender all over the Colonial Empire. We are not in a position to deal with this matter ; it is a non-voted item. We can only say that unless and until the political aspirations are completely satisfied in this country the necessity for such heavy expenditure may not be done away with by foreign Finance Members.

With regard to Bretton Woods, it has been said that India is going to have a place in the International Monetary Fund. From one point of view it may be welcomed, that it is no longer tied to the sterling area and the British sterling. It has to go out into the wider monetary market where dollar and gold exchange will come into operation and India's finances may have greater freedom to breathe and have trade contracts with whatever nation it is possible to have. But we are not told how the 200 crores of rupees which we have to contribute to the International Monetary Fund are going to be given. Where is that amount going to be found from ? The Finance Member has kept it a secret and we do not know if this amount will be adjusted from the sterling balances which the British Government owe to us or whether it will be taken directly from this country or whether a loan is going to be raised for this purpose.

With regard to the Dollar Pool, I need not say much about it. Last year, Sir Jeremy Raisman said that information as to how much India has got in the Dollar Pool could not be divulged for security reasons. This year the Finance Member says that he is not able to give the exact idea of what amount lies with the Dollar

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Pool. But still whenever Indian businessmen have asked for the dollars to be set apart, it has been the consistent policy of the Commerce and Industries Departments to ask the importers of capital goods to confine themselves as much as possible to sterling area and not to ask for imports from the dollar area much. They want to expand the industrial tempo of the country. An expenditure of 900 crores is estimated or foreseen for the coming years for industrial development, but there is no corresponding arrangement to get capital goods to keep pace with the plan. The plan is merely a paper plan. There is no concrete proposal behind. The Finance Member has not been able to give any definite idea of the plans for the future. The recent resignation of Mr. C. N. Vakil who was an economic expert brought by the late Planning Member shows that there is no co-ordination in the Department; there is no definite plan. A number of *ad hoc* schemes are worked out in each Department and there is no target to be reached; there is no time-limit within which certain industries should be started in this country. The whole thing is going on in a sort of desultory way without a plan or co-ordination. That is the criticism made by well-known persons. What is the reason for the resignation of Sir Ardeshir Dalal? It is said that his discretion was fettered and the bureaucratic Secretaries in the Departments, high-placed officers, have always come in his way in perfecting his plans. I do not know how far it is true, but it is for the Government to enlighten how far truth lies behind these allegations. No definite information has been given by the Finance Member about post-war planning. He says:—

"My predecessor last year referred to the steps which had been taken at the Centre for dealing with post-war planning and development, and mentioned a number of important preparatory measures which had been put in hand, such as the establishment of a Central Electrical Power Board, an Irrigation and Waterways Board, the Resettlement and Re-employment Directorate and the training of students overseas. Preparatory work of various kinds has expanded."

The whole thing is not settled. When the scheme will come nobody is able to say. How much co-ordination there is between Central and Provincial planning one is not able to make out. Is there any co-ordination or contact between the Centre and the Provinces? There are big electrical schemes which have been taken up by Provinces. Madras has taken up a scheme costing 64 crores, the Upper Godavari Project, which will irrigate one crore of acres and which will give sufficient quantity of rice to make Madras not only self-sufficient but also to produce a surplus which will benefit other provinces. The Machkund scheme is now a matter of negotiation between Madras and Orissa Governments. It is estimated to cost 7 or 8 crores and will cover an area of more than 15,000 square miles and it will give industrial and electric facilities to that area. How far there is co-ordination in these matters is not known. Again, crores of rupees have been spent on the Grow More Food campaign, but how it will come about we do not know. What is the idea of having a post-war plan and how is it going to be developed? The Government seems to be in a quandry about it. You have a programme for road-making involving an expenditure of 450 crores in order to absorb all the people that are being demobilized from war but now when you are asked to lay out trunk roads you say you have not got tractors, you have not got steam rollers, you have not got sufficient material and machinery available to lay out these roads. For every little thing the planning is passing through a bottleneck and we do not know how you are going to make arrangements for materials required in the post-war development of industry. Sir, what I suggest is that there must be a drive at the Centre which the present Government lacks and unless a popular Government, which is responsible to the people and which is amenable to public opinion is installed immediately, there is no prospect of any all-round industrial development in this country.

Then with regard to the Information and Broadcasting Department, Sir, which is bloating itself in expenditure. I do not know what it is going to do with this so-called Field Publicity Organisation with an expenditure of 40 to 45 lakhs. There was a Department during the war, called the National War Front, of which an estimable gentleman from the European Group was the head, controlling enormous patronage in his hands. That Department has now given birth to another —or rather the same Department is now continuing under a different name—called the Field Publicity Organisation. This Department produces one pamphlet which is almost

a replica of another pamphlet issued as *Indian Information*. It looks as if the gentlemen in this Department have been very loyal at the cost of their country during the period of war. I see no reason why a Government which is irresponsible to the country should maintain such a large army of officers with bloated salaries under the name of Field Publicity Organisation.

I think the propaganda that is carried on in foreign countries, especially in America, also comes partly under the control of this Broadcasting and Information Department, though it may have something to do with the Home Department also. In the newspapers we have read a welcome news that Mr. A. V. Raman, an adventurer was recently relieved from the Information Department attached to the office of the High Commissioner for India in Washington. There are several such stooges all over the world distributed by the British Government at the cost of the Indian tax-payer's money. It is time that all these people are sent out of this Broadcasting and Information Department and that the Department is controlled in a way which is absolutely necessary for the needs of the country.

Sir, in this connection I want to bring to the notice of the House that there is a Sub-Committee of both Houses called the Standing Committee for the Broadcasting and Information Department and that Committee has never met even once during the whole of the last year. Sir Sultan Ahmed, who has developed a very right type of bureaucratic temperament had written a curt letter to me—I do not call it quite a discourteous but a curt letter that he was ready to take advantage of the advice which the Committee is going to give but he never convened the Committee! They are afraid to let anybody see how jobbery and expansion has gone on by leaps and bounds and how people without proper qualifications are dumped in the Department with salaries running into four figures. Therefore, Sir, what I suggest is that even under the new dispensation, under the present Member, I hope all these things will be looked into. I am glad he has started one new section called the Art Section but still unless a National Government comes into existence with a proper understanding of the spirit and quality of the art of this country no foreign Government can do much for this section. I hope it does not mean another opportunity of patronage of undeserving people. I happened to read the comment on the Art Exhibition, that was recently held, in the *Hindustan Times* by a person who does not understand and seems incapable of appreciating Indian art. What I say is that this protection, propagation and development of our Indian art or archaeology can only be undertaken by a truly National Government who can do a good deal in this connection. I hope this provision of Rs. 4 lakhs will be better utilised in the development of real spirit of art in the country.

Sir, I want to deal with one or two aspects. We have been sending a large number of students for training in foreign countries.

THE HON. THE PRESIDENT: Please be very brief.

THE HON. MR. M. THIRUMALA ROW: There is a good deal of comment about this. They are being taken out of this country without a definite plan. They do not know which of these students will be absorbed into which departments, what the plans of those departments are and what are their requirements. Many of these students are taken into foreign countries to get extra degrees which most of them have got here and there is a kind of confusion and uncertainty about the future of these boys as is well known to those who are conversant with the news that is being published in the newspapers. I want that the Post-war Planning Department should have a definite plan of all its industrial development and a definite number of students who are required as technical personnel should be sent abroad so that they can be better utilised for the particular purpose for which they are required.

There is another point which I wish to raise and that is about Archaeology. There is a famous collection of art known in Andhra Desha, called relics of Nagarjima Kenda Art Collections in my Province. They are from Buddhistic period. We have seen from some agitation in the newspapers that those valuable relics of art are being removed out of that area to some museums in Calcutta and Delhi.

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There has been a widespread protest that these ancient relics may be allowed to remain where they are. I will deal with this point in greater detail at the time of the discussion of the Finance Bill but I want the authorities to take note of it.

One more point, Sir, and I have done. Andhra Desha has been lacking in a broadcasting station. It was agreed last year that provision would be made in the next year's Budget for installing a broadcasting station at Rajahmundry or Bezwada. The general planning should be that we should have as many broadcasting stations as possible and that cheap broadcasting sets are manufactured and their price is brought within the reach of the poor man.

I am very much hard up for time. What I want to say is that the Budget has tried to give relief to the rich man. It has given relief to the textile and other industries who have really fattened themselves at the expense of the country by their black markets. I know, Sir, that but for Mahatma Gandhi, non-co-operation and the boycott of foregin cloth the mill-owners would not have earned these profits during the last 20 years. At the time of the real crisis when the poor man wanted cloth they have failed and they have driven whatever cloth they had underground and made enormous profits. This is a moral charge which the people at large level against it that as a class they have failed this country at the most critical moment when poor men have gone without cloth, naked and starving. It is this class of people which is helped by the removal of the excess profits tax. If this money comes out into industry and industrial development under the control of Government then all is well and good but if this goes to hoarding then it is no use removing this tax. I hope, Sir, the good intention of the Finance Member will be carried out during the next year.

With these few remarks, I close.

THE HON. SIR N. GOPALASWAMI AYYANGAR (Madras: Non-Muhammadan): The Budget that has been presented to us this year is in refreshing contrast to the Budgets with which we have been familiar in past years. The Hon the Finance Member has brought to his task a freshness of outlook. The Budget is a very clever presentation of facts and figures. The proposals are fairly well-conceived. They indicate a good deal of energetic thinking. There is both courage and initiative. And in the response which the Hon. the Finance Member made to the criticisms made in the other House he has shown an imagination which is welcome and which has been so rare in this country. In essence the Budget exhibits an Indian approach to things. Two main factors have governed the Budget proposals. The Budget is first permeated by the consciousness that power is passing and therefore it has been realised that the Budget need no longer be exploited for other than Indian purposes. The second factor which has governed this Budget is that there is plenty of money going about to play with, both on the revenue side and in respect of borrowings; why then should this not be disposed of in a manner which India, who will soon come to rule herself, will approve of? Those two factors seem to me to have governed the preparation of this Budget; and that those factors have been realised by the Hon. the Finance Member is all to his credit.

I would first make a passing reference to the welcome separation of the capital budget from the revenue budget. I do not think, however, the capital budget is perfect in the way in which it has been drawn up this year, but I do not propose to go into the details of it. What I wish to point out now is that the capital budget has produced a surplus of over 132 crores. The revenue and capital budgets together with other miscellaneous ways and means items will close with a balance of over 561 crores. I am mentioning these figures to prove to the House how great is the volume of money that is now available for any Finance Member who exercises his imagination in the direction of doing something really striking in respect of the finances of this country. The revenue budget, however, shows a deficit. But in my opinion it should not really be a deficit budget. The deficit has been arrived at by manipulations. I do not use that word however in any sinister sense. The figures and their accounting have been so adjusted that this deficit has been produced in circumstances where a surplus should have been shown.

The total expenditure for the year has been placed at 355·71 crores. At the existing level of taxation, the total revenue is 307 crores. The initial deficit in the existing state of things comes thus to about 48·71 crores. Then, there has been proposed a lot of adjustments and alterations in the taxation system of the country, and at the new revised levels the total revenue comes to 285·55 crores. The deficit arrived at on that basis is about 70·16 crores. I proceed to show why this deficit should not have been arrived at.

Firstly, there are items which are debited to revenue but which should, in my opinion, not be debited to revenue under present circumstances. I will take one item, the item which appears in the accounts as reduction or avoidance of debt. The usual provision under this head was something like 3 crores in previous years, out of which about one crore was appropriated to a sinking fund for paying off a particular loan. That loan has been paid off this year, and for the next year this provision is proposed to be raised from 3 to 5 crores. Now, I ask : What need is there *under existing circumstances* for this provision ? The reason given is that our debt liability is mounting up and 3 crores is too small a provision to make for reduction of debt, and therefore it is proposed to raise it to 5 crores. As a matter of fact, we are going to borrow in the budget year somewhere about 300 crores, and what need is there for debiting this 5 crores to revenue and taking it as a receipt on the capital side ? Instead of 300 crores, we might well have borrowed 305 crores if it came to that. Even if you borrowed only 295 crores, it would have made very little difference except to the bloated closing balance of the year.

There are two items under Army expenditure which I think might well have been debited to capital : War gratuities 17·14 crores ; Special Leave and other benefits, 18·34 crores. Then, there are items which should have been taken to credit of revenue but which have not been so taken. I would first refer to the increased income-tax payments to provinces due to the amalgamation of the surcharge with the basic income-tax. That figure is 12·75 crores. I shall deal later on with the question why this should not have been done. Then there is the other item about which I have a standing quarrel with the Hon. Sir Cyril Jones, namely, the crediting of the receipts of what he calls advance payments of income-tax under section 18A of the Income-tax Act. That comes to 55 crores in the Budget year. The total of these two items alone comes to 67·75 crores. Then, Sir, I think it was my Hon. friend Mr. Dalal who referred to the crediting of the 26·10 crores under the war risk insurance funds to revenue ; he suggested that it might have been appropriated in a different way. But that is really creditable to revenue under the law and it has been so credited by the Finance Member himself. Taking all these three items together we get an additional amount of something like Rs. 134·29 crores. Even if we retain the two items under Army expenditure as debits to revenue, the total additional amount that would be set free by the items that I have pointed out would come to something like Rs. 98·85 crores, which will really convert the deficit of Rs. 70·16 crores into a surplus of Rs. 18·69 crores. There is, therefore, Sir, in my opinion, a further margin for giving more relief to the poor. The Finance Member expressed his great anxiety to do as much for the poor as possible. He seemed prepared to do more for the poor even with a deficit of Rs. 40·44 crores. But, as I have pointed out, really there ought to be a revenue surplus and he should have no hesitation in discovering other means of giving relief to the poor. I propose to make only a few suggestions in this connection. Apparently, the Hon. the Finance Member could not hit upon anything other than kerosene for giving relief to the poor. This means a loss of revenue of about Rs. 65 lakhs. Sir, he proposes the reduction of the duty on kerosene on the ground that it is an important item in the economy of the poor man. I consider, and I hope the House and the whole country consider, that salt is a much more important item in the economy of the poor man than kerosene is. The total duty on salt comes to something like Rs. 893·90 lakhs and if we reduced the proposed duty in the Finance Bill from Re. 1-9-0 per maund to Re. 0-12-0 per maund, it would mean a loss of something like Rs. 429·72 lakhs, or say Rs. 4·30 crores. I have a few reasons to place before the House as to why the Finance Member should take courage in both hands and deal with the salt duty in this fashion. As I have said, salt plays a much more important part in the poor man's economy than kerosene. Past history behind the salt duty would indicate that this is one of the first items that should be taken hold of for giving relief to the poor. It would capture the imagination of the public. I am not one of those

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who are wedded to the abolition of the salt duty altogether, though I should very actively encourage proposals for a substantial reduction in the rate of duty. The total revenue from salt is less than Rs. 9½ crores and in the context of Indian finance today, with the revenue going up to Rs. 300 crores, it is a very insignificant contributor to the public fisc. A reduction of this duty will, therefore, have very little financial effect and no Finance Member need feel squeamish about dealing with it in that way. There is also this fact that it will give India-wide satisfaction. The Finance Member has tried constantly to keep before him the fact that Indian finance will, within the next few months, come to be handled by a Member of the National Government, and the reduction of the salt duty, if not its abolition, would, I am sure, be one of the first acts of an Indian Finance Member. Why then should the present Finance Member not anticipate this development? I believe, Sir, there is a psychological reason for his doing so. He himself said, I find, in reply to the debate in the other House :—

" Nevertheless, on reflection and in the light of the debate, I fully confess, that while, as I submit, Government's proposals are eminently sound on economic grounds, they may in some measure be defective psychologically, in that the man in the street, and particularly the man in the village street, may not have seen the true inwardness of the Budget. Partly on these grounds and partly because the Government is anxious to be as responsive as possible to the views of the House, I undertake between now and the debate on the Finance Bill carefully to review the whole field of indirect taxation to see whether any, and if so what, relief can be granted, whether, for example, it be a cheaper postcard, a cheaper box of matches, cheaper *bidi*, cheaper betel-nut or something else."

I would very strongly recommend to the Hon. the Finance Member that the first thing he should deal with in this re-examination of the whole field of indirect taxation should be the duty on salt.

I now pass on to a second item, and that is, betel-nut. Betel-nut is supposed to give in the Budget year an excise revenue of Rs. 1·60 crores. Betel-nut is also a very important item in the economy of the poor man and he will appreciate very much any relief that can be given to him under that head. The Finance Member no doubt expressed great concern over the interests of the grower but I would appeal to him to direct his sympathy to the interests of the consumer, especially when in the Budget year he will be getting an increased revenue from the import duty on betel nut to the tune of over a crore. The time seems opportune for him to consider the abolition of this excise duty on betel-nut altogether. I hope, Sir, nothing will stand in the way of his dealing with this matter in this drastic fashion. No tenderness for any person who may have been responsible for discovering this source of revenue should be allowed to stand in the way of this relief being given.

Then, Sir, as the Finance Member himself indicated, some relief could be given by reducing the price of postcards which might perhaps give another Rs. 4 crores relief. The total relief to the poor man, if all of these proposals are accepted, will be about Rs. 10·54 crores and that might be compared with the relief that has been given to the middle class, the moderately rich and the rich man which I believe, in the Budget comes to about Rs. 21 crores. While the moderately rich and the rich will share in the relief proposed to the poor man, the reverse will not be the case. From the net financial surplus, according to my proposal, namely Rs. 18·69 crores, the additional relief to the poor man, Rs. 9·89 crores, may be deducted; and the final surplus will then be Rs. 8·80 crores.

I said I would say something about the question of the amalgamation of the surcharge with the basic income-tax.

THE HON. THE PRESIDENT: Please be brief. Your time is up.

THE HON. SIR N. GOPALASWAMI AYYANGAR: I will finish in 5 minutes, Sir. This amount comes to something like Rs. 12¾ crores. Indeed, when the Centre budgets for a deficit, it is difficult to understand why it should make this gift to the Provinces. The burden of the tax-payer will remain the same. Did the Provinces ask for this addition to their resources? Except perhaps Bengal, no other Province seems to be in need of it. Even Bengal has been spoon fed very much already. Once Provinces begin to lean on so high a rate of basic income-

tax, it will be difficult to get them to agree to a reduction of it in the future. I think that, for these reasons, this gift to the Provinces, so ill-timed, should really be withdrawn.

Then, Sir, as regards collections under section 18-A, I was not in the House when the Hon. Sir Cyril Jones replied to my criticisms at the end of the debate on last year's Finance Bill. But I have since read his speech. I do not propose to deal with it at any very great length. I think I can meet every one of his points, and to his satisfaction, just as he said he met every one of my points and hoped it would be to my satisfaction. I do not think we need waste the time of the House over that. There is only one point I wish to mention and that is this. He thought that the Government would be landed in a position of financial embarrassment if this pay-as-you-earn principle was withdrawn in any particular year an I find that the Federation of Chambers of Commerce and my Hon friend Mr. Dalal today have put in a claim to the Finance Member to see that this thing is put an end to at once. My advice to the Hon. the Finance Member is not to accept the suggestion. I can see absolutely no ground for differentiating between salaries and interest on securities on the one hand and income from other sources on the other. I can see no point of principle involved. If you are asked to pay as you earn your salaries, you must also pay as you earn your income from other sources. In the case of salaries it is an ascertained figure; in the other case it is an intelligent, reasonable, estimate of the income that you will earn in the course of the year. Both will have to be adjusted in the final assesment which is made in the following year. That being so, I personally would very strongly object to this section 18A, which is now a part of the permanent law of the land, being deleted. We have collected something like 56 crores under section 18A in 1944-45. That might as well be treated as a loan taken from assessees in addition to the assessments they paid during the year. It carries an interest of 2 per cent. If in any year you should decide to repeal this provision, there is nothing to prevent you from appropriating to revenue a portion of your capital receipts or your closing balance in that year. It would only be right to do so, because you merged these advance collections originally in your capital receipts and you either spendh, them or put them into your closing balance.

One more point I wish to mention and that is about the Indian Taxation Inquiry Committee. The suggestion is, I agree, a very good one. There has been, as the Finance Member has said a re-orientation in economic thought. Systems of economy have been changing. Ideas as regards the relations of the State to the individual and *vice versa* have also been considerably modified. But the question of the distribution, between the Centre, Provinces and Local Bodies, of the resources available cannot really be taken out of the purview of a Committee like this, as the Finance Member has suggested. I personally think, Sir, that in view of what we are looking forward to, until we are sure of the political set up in the country, the kinds of different taxing authorities that we shall be establishing in the country and so forth, it would be somewhat premature to set up this Committee at once.

Finally, Sir, referring as I have done to the coming political set up, I wish only to advert to one passage in the Finance Member's speech, in which he says—

> "I am conscious of the difficulties and am not insensible of the width of the gulf which has to be bridged, but it is my firm conviction that with toleration, restraint and goodwill a solution can be found. What is certain is that for every day the solution is deferred, for so long will be postponed the attainment of India's destiny which is hers by right."

I entirely endorse the sentiments in that last sentence. But I wish the Hon. the Finance Member and the Government which he represents will remember this, that the solution may be deferred not alone by the failure of political parties in the country to come to an agreement, but also by His Majesty's Government failing to shoulder the responsibility of taking a decision which the possession of power in this country imposes upon them. Any decision is subject to risks in the future But it is the paramount duty of His Majesty's Government to come to a decision

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If parties will not agree and if His Majesty's Government are really sincere about what they have been saying, namely, that they want to transfer power to the people of this country, it is their business to take a fair decision and then hand over power and leave India to take the risks of that decision in the future.

THE HON. SIR SOBHA SINGH (Nominated Non-official): Mr. President, Sir, I wish to join in congratulating the Hon. the Finance Member and his Department on presenting India for the first time with one of the cheerful Budgets that has come before us and with post-war reconstruction problems and items he has tackled so ably.

The relief which he has afforded to industries and in lower slabs of income are long overdue and we are all glad that Indian industries can once again stand on their feet with the abolition of the E.P.T. and greater allowances being granted in regard to depreciations. I do not hold with those who consider that E. P. T. should not have been abolished and should have been only reduced. A mere reduction would by no means help in this state of affairs and it is no use for getting that it is a bad tax and Government were forced to adopt it under abnormal circumstances and for a specific period.

A lot has been said about Defence expenditure. Sir, I do not agree with my Hon. friends who are in favour of reducing the Defence Budget. To my mind India can only stand on its legs and stand along with other nations of the world if it has got one of the strongest armies, Navy and Air Force. Any attempt to force Government to make a reduction in the Defence expenditure will be a suicidal policy to India. What the Leaders should press is that India should be self-sufficient as far as armaments go. India should be strong enough to have its own workshops to repair and to build aeroplanes and ships. This is the only way in which India will be able to maintain self-government or Dominion Status or Home Rule. Without it it will be at the mercy of any invader, may be a neighbour or an outsider. I request the Leaders to keep in mind when they ask for any self-government or Dominion Status, they should ask for a very strong Indian Army, fully equipped and fully sufficient to meet any emergency.

While welcoming the income-tax relief for lower grades of income, I have one suggestion to make which, I hope, the Finance Member and Sir Cyril Jones will take into consideration. I hope the taxes on lower incomes in India, especially when we take the lower economic stamina of our people into consideration, are by no means less than those levied in the United Kingdom or other similar civilised countries. In England, however, there are allowances for wife and children. In this country there are no such allowances and I would like to suggest that as the education of the children, both boys and girls, is the greatest burden on the lower middle class, some relief may be given in regard to this item and my suggestion is that on the first slab of Rs. 3,500, after the exemption limit of Rs. 1,500, 15 per cent. of the income should be tax free and on the next higher slab 10 per cent. will be income-tax free. This should be a relief. It should be known as Educational Relief to the families. As the education is getting costlier and costlier and the only persons of this class, and rightly, want to educate their children even without having to do many things they are accustomed to such relief, I think, will be welcomed by these middle class people.

I have one more subject to deal with which is in the hands of Labour and Agriculture Departments both. There are different plans of improvement and development of agriculture. Government is busy in working out programmes for irrigation schemes, building dams, electrification and other things. The experts are already working on some of the schemes especially in Bihar and Bengal. In those Provinces there are regular schemes under consideration of building a chain of dams and starting of irrigation schemes to control the two big rivers, which really are doing a great harm to Bengal and Bihar, Damodar and Sone. The schemes look very good on the paper because millions of acres of land are being ruined every year and one of the richest Provinces, Bihar, is really left with nothing. I feel, however, Sir, that there is danger ahead in building up this big chain of dams and big lakes extending over miles of land. I feel that in the Punjab we had sorry experience of seepage. Now Bihar and Bengal both are full of mines and if there is any danger

to them Government should look into it. In Bengal, several canals have been dug to fertilize the Province. Unfortunately, the canals being really of a *kutcha* type the position is that our lands are in great danger of being waterlogged and the agricultural position of the Punjab in the years to come is by no means rosy unless and until the canals are either lined or made *pucca*. Unfortunately the dams which are now under consideration in Bihar and Bengal cannot be lined. It is not possible to do it and if the Government persist in building a chain of dams in all sorts of places, waterlogging might become a serious menace and the seepage of water into the collieries and metallic mines of the two Provinces might occur. If that contingency arises, the mineral wealth of this country would be damaged, several hundreds of collieries would be affected with grave and disastrous effect on our industrial structure. As the amount to be spent is a colossal one I hope that Government would exercise due caution and take all sides of the question into consideration before undertaking such an expensive scheme. There are experts working on these schemes. I hope this particular point will be brought to their notice—that there should be no danger to these two Provinces by doing one thing and damaging the other.

*THE HON. RAJA CHARANJIT SINGH (Nominated Non-official): Mr. President, this is the first post-war budget, which has been prepared with great ability and foresight. One is glad, to see in it, the downward tendency in expenditure and some relief in taxation. The latter would have been, however, more appreciated if it had not been counteracted by fresh taxation.

The solicitude shown for industrial expansion and development is a step in the right direction. India has to step up in order to secure her rightful place in the industrial world. I am sure this would give great impetus to trade as well as encourage imports. It may, however, be felt by some that the proposed sacrifice in income is not in proportion to the existing circumstances, or the general reduction in expenditure. Excess profits tax, like sur-charge, was a war necessity to meet the financial difficulties created by the war. There is a general impression that while the former is going to be abolished the latter is proposed to be made permanent by its amalgamation to the basic rates. Perhaps the Hon. the Finance Member will be able to clear this point in his reply.

The hostilities have come to an end, but war conditions are not yet over. Purchasing power of the rupee is at its lowest ebb. Food is the crying need of the day. According to the Memorandum of the Finance Department, the food index shows a tremendous increase. From 100·3 in August 1939 it shot up to 280·7 in December 1945. On the top of that we are faced with an impending famine. I hope agricultural material and machinery will be given at least the same relief from Customs duty, which is proposed in the case of industries.

There is one other point to which I would like to invite the attention of Government. It raises an important economic, administrative and constitutional issue. Since 1937 Provinces have been functioning as autonomous units. This places on them great responsibilities. With the exception of a few reserved subjects, they are entirely responsible for their development and well being. Yet it is noticed that the Centre is still spending large sums on their account. Centralisation can be useful when conditions are identical. But the fact is they differ from province to province. Should not therefore the Provinces be self-centred without any kind of spoonfeeding? The co-ordinating activity and control of the Central Government need be no more than that exercised by the Crown in Indian States. If big States like Hyderabad, Baroda, and others can run their administrations smoothly on these lines, then is there any justification to presume that British Provinces cannot Apart from Defence, Foreign relations and similar all-India matters, the rest should be the sole responsibility of the various units themselves. This would not only remove duplication but would also bring down expenditure. I am sure the Hon. the Finance Member has not lost sight of this aspect, but perhaps other questions of high finance have had high priority.

My Hon. friend Sir Archiblad Rowlands has a very difficult task ahead, and I wish him every success in his future efforts.

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* Not corrected by the Hon. Member.

THE HON. THE PRESIDENT; I think this is a convenient time to adjourn When we re-assemble in the afternoon I shall call upon the Hon. Members representing the Bombay Chamber of Commerce and the Bengal Chamber of Commerce to address the House. The Council is adjourned till Three of the Clock.

The Council then adjourned for Lunch till Three of the Clock in the afternoon

The Council reassembled after Lunch at Three of the Clock, the Hon. the President in the Chair.

*THE HON. MR. J. M. B. GIBBONS (Bombay Chamber of Commerce): Mr. President, Sir, in rising to support this Budget, I would like to offer my congratulations to the Hon. the Finance Member on the skill with which he has managed this difficult transition period between war and peace time-conditions. The period that we are likely to face is probably one of deflation as the result of the tremendous curtailment in Government expenditure, and I think that in so far as is possible he has made all the provision that he can to face those conditions. As far as the expenditure side of the Budget is concerned, I do not propose to go into it in detail. I do share some members' disappointment at the size of defence expenditure, but, on the other hand, I do entirely agree with my Hon. friend Sir Sobha Singh, who spoke this morning, when he said that in the present state of the international outlook, with dark clouds everywhere on the horizon, it would be unwise to look at the military budget from any other point of view than that of security. I have no doubt that there may be directions in which a reduction of military expenditure can be speeded up, but it still remains the fact that the first and only consideration at the present time should be that of security.

So far as industry is concerned, I feel that the Finance Member has dealt with it generously, but with reasoned generosity. After all, it is from the speeding up and expansion of industry during these coming years that India hopes to obtain increased wealth and increased prosperity spread abroad among all classes. In his arrangements, too, for the future, he holds out some promise of assistance. I think it is assistance to industry in the way of an Industrial Finance Corporation and a Government Investment Board. But on these I would like to suspend judgment for the moment. If they are going to be of assistance to industry, industry will welcome them; if they are merely going to be controls on industry, industry will not like them. So far as the Budget speech went, he merely drew an outline, and until the details are filled in, I do not think that I would care to offer judgment on these proposals. In one proposal the Finance Member came out into the open as far as providing for the expansion of industry went. I am rather doubtful as to the wisdom of it. That is his proposal for the discouragement of dividends. On the surface it would appear to have considerable attractions in the suggestion that it is making industry pile up reserves in order to expand and build itself up. But I am rather inclined to think that the method is incorrect. After all, the whole idea of the Planning Department is not to increase existing industries in their present sites but to create fresh industries in places where no industry at present exists. Thus, an addition to the reserves of, say, cotton mills in Bombay would really only result in increasing the assets and capacity of those cotton mills in Bombay. That is not the idea. The idea is that there should be fresh investment anywhere where there is not a cotton mill. One way of achieving fresh investment is through distribution of dividends. During the period of the greatest industrial expansion in Great Britain in the 19th Century, the real foundation of that expansion was that industrialists received large dividends out of their industries, dividends in excess of their own personal needs. They therefore had a surplus which they were prepared to invest in fresh ventures. That is a consideration which might be thought of when you look carefully into this proposal for limitation of dividends. Superficially, I think it has its attractions, but I am doubtful as to whether it is inherently sound.

I think there is one thing that industry will welcome very much at the present time, and that is relaxation of controls. I quite see that in the present period

*Not corrected by the Hon. Member.

when supplies are so restricted some degree of control is necessary, but I think it would be of tremendous assistance to industry and commerce everywhere if the removal of these controls could be speeded up. We all of us who have had anything to do with these various controls know what a tremendously long time it takes to get an answer, even if it is going to be "No"; we would much rather have that answer at once than to wait some months for it.

In one respect I have heard the Budget freely criticised, and that is that it does not do enough for the small man. I feel that when you talk about benefiting the small man—and I do say that the needs of the small man in this country are very great indeed—I think when you talk of those things it is as well to reflect on what is the true nature of wealth. Some of us are rather apt to look upon wealth as bank balances, bank notes and the like. But if you come down to first principles, in the whole of this world there are only two sources of real wealth. The first is God's good bounty of the earth, and the second is the sweat of man's brow. The whole complicated structure of modern civilisation is based on these two fundamentals—God's good bounty of the earth, and the sweat of man's brow. The man who goes into the field, ploughs it, sows it, harvests the crop—there you have the creation of true wealth. In the same way, the man who goes into the forest, cuts down a tree, fashions it into a chair or table or bed—there you have the creation of wealth. You can multiply instances as often as you like, but in fundamentals everything comes down to that. And so, when you talk of benefiting the poor man, you have got to increase his true wealth, and too often you see the proposals for benefits merely reduced to the very simple expedient of an increase in wages. Increases in wages will not in the long run help. It can do nothing at all. After all, it is likely even to have the opposite effect, because if a man at the present moment, working for, say, Rs. 50 a month, can buy his food and his clothing, if you increase his wages to Rs. 100 a month, you must give him something extra on which he can spend that extra Rs. 50. Otherwise, the tendency for him—and a very natural one—is to work for half a month in which he can earn Rs. 50 which he can spend. The alternative, of course, is inflation of prices, but I will not touch on that. The only way, in these times when there is insufficient supply of consumer goods, in which you can keep that increase in wages is through the medium of savings and I am very glad to see that the Finance Member is continuing in his campaign for encouraging savings among the small men. But that cannot go on indefinitely. You have to increase the supply of consumer goods if you are going to improve the lot of the poor man. It all comes down to this, that an increase in spending power must go hand in hand with an increase in production. If one gets too much ahead of the other, you have the trouble of inflation. During the past few years we have seen in this country a good many of the evils which arose out of an increase in spending power and a very grave shortage of production. As far as the present time is concerned, until an increase in consumer goods can be adequately provided, my own feeling is that the benefit for the poor man should be confined much more to schemes of improvement, health improvement, as has been provided in the Bhore report, educational improvement as in the Sargent report and I welcome the Finance Member's idea of improvements in building and that kind of thing—shorter hours of work. But the one expedient which I do think should be avoided as far as possible at the present time is the simple but pernicious one of more increase in wages. I hope nobody will misunderstand me. There is nobody who is a greater advocate of an improvement in the lot of the poor and humble in this country than myself. They live on the verge of starvation. They have barely enough to feed themselves, not enough to clothe themselves. Creature comforts they have practically none. But, at the same time, I do think that one has to approach the question of improvement with a very great degree of caution. I think it might not be out of place if I reminded you of those great freedoms of the late President Roosevelt. He talked of freedom from want. That is a freedom which above all it is essential that India should obtain. I think that in this Budget, not in its actual provision but in the promise that it holds out, it provides the first rung in the ladder. It is a very steep ladder that India will have to climb. On the other hand, I think it would not be out of place if I mentioned another of President Roosevelt's great freedoms, and that is freedom from fear. At the present moment, opinion in India is absolutely united in their demand for early constitutional

[Mr. J. M. B. Gibbons]

freedom. But, at the same time, it does seem to me that the demand for freedom is in some degree accompanied by a fear of the consequences of that freedom. President Roosevelt, of course, was referrring, as far as I remember, to fear of outside aggression. But, in India, it is the fear within the country which I feel must be dispelled. I entirely disagreed with my Hon. friend Sir N. Gopalaswami Ayyangar this morning when he said that failure of agreement among leaders in this country should be met by the imposition of a constitution by the British Government. I am afraid I cannot accept that point of view. The whole foundation of democracy is based entirely on consent of the governed and I cannot see how any constitution imposed from outside can be said to be government by consent of the governed. I, should say, myself, that at times, during the last 6 years, an observer from Mars who has been looking down on India and on Great Britain. would have said that India was a free country and that Britain was under a very severe and autocratic Government. He was wrong, of course, although in actual fact, in matters of personal liberty, Great Britain had to put up with restrictions of a nature that were quite unknown in India,—identity cards, restrictions on travel, ration cards and restrictions of all kinds and sorts. And yet no one would have associated with those restrictions anything but democracy in its finest and best form—democracy triumphant. So, I feel myself very strongly that in these coming months, when great constitutional changes are impending, it is for the leaders of political thought in this country to remember that one criterion of true democracy, consent of the governed. It is no good, when you are approaching him in this matter, to look to your opponent and see how much you can get from him. What you have to see is, how much you can give to him, how much you can accommodate your view point towards his— —

THE HON. MR. M. THIRUMALA ROW: Why does not Great Britain do that?

THE HON. MR. J. M. B. GIBBONS: Great Britain is quite prepared to do that. It is for the leaders of local opinion. They must do that. After all, the whole industrial promise of this Budget is based on the ability of the ordinary man to go about his peaceful avocations. If you cannot do that, all your plans for industrial improvements—industrialisation of the country, agricultural developments and other schemes—will be entirely brought to naught, unless you have at the same time post-war peace and stability. If I remind you again of these two freedoms of President Roosevelt, freedom from want and freedom from fear, I am perfectly certain that India will never escape from the spectre of want if all the time she is haunted by the spectre of fear.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Sir, may I take a very few minutes of the time of the House? I know that there are many Hon. Members who can make valuable and constructive suggestions. Unfortunately I can do neither. I can only supply a few facts. Representing an unproductive Department, unproductive in peace whatever it may be in war, I am in the unhappy position of being regarded at all times with great suspicion by my friends in the Finance Department. I have put up with that. But it is always present and it is quite right that they should regard me with suspicion, because, as I say, we spend and we produce nothing in peace for the expenditure that we incur. We are an insurer and it is for Government to decide, and for the representatives of the people in the future to decide, how much that insurance will be. It is for me to say how that insurance can be best applied so as to achieve the desired result. I would like to refer to the remarks made by my Hon. friend Pandit Kunzru this morning. First of all, as regards the shape and size and composition of the post-war armed forces of India. He referred to the Reconstruction Committee which was set up to advise me. It is not a Government of India Committee. I set it up over a year ago, nearly 18 months ago, to carry out what could not then be carried out by my staff, because they were engaged in the prosecution of the war against Japan. It was obvious that we had to begin to consider the question and the only way to do it was by this Committee. The Committee was advisory only. Its recommendations were not binding on me. They have been very fully considered by me and by my staff

and are still being considered. There is no doubt at all that when I make my final recommendations to the Government of India for the final composition and organisation of the armed forces that India should keep for her own purpose, the recommendations of that Committee will undoubtedly weigh very heavily with me—and they have weighed very heavily with me. I woul like to remove any misapprehension that may exist as to the Committee being a final body whose recommendations have got to be accepted. That is not so. The shape, size and composition of the final armed forces of India present an extremely complicated problem, as I think every Hon. Member who has any experience of dealing with these matters will understand; and quite lately I and my advisers have reached conclusions as to what we think from the military aspect would be advisable to have. As I have often said in this House, I look at these things from the Indian standpoint. But what we think is necessary from the military point of view has got to be fitted in with what is available from the financial side, and the two are not, as I have said, corresponding. They generally disagree, and disagree to a very marked extent. Then you get a situation in which I as the Commander-in-Chief say "I want this. I think India must have this." On the other side, there is the point that there is not enough money and therefore you cannot have it. We reach an agreement—we hope to—but that takes time. It means reconsideration, recasting and replanning. But I hope that before long we will be able to reach a conclusion on that. I have reached a conclusion, but the Government of India has not yet reached a conclusion, because it has not yet had my recommendation. I think that would answer my Hon. friend's point.

The second point he raised was about the future of the Viceroy's Commissioned Officer. This has been very carefully considered by myself and my advisers and also by the Defence Consultative Committee, whose advice I sought on the subject last year. I have reached certain conclusions and I think the Defence Consultative Committee have reached certain conclusions too. But this again is a very big question and a very complicated one and it is one which cannot be introduced or settled without very careful thought, because this is bound to have a certain unsettling effect on the army at present. At the present moment the army is in a process of demobilization and recomposition, which is already unsettling. But that is not the reason why I have not yet reached a final decision on this matter. There are other points. There is the financial point. The Viceroy's Commissioned Officer will have to be replaced, if you do not want him, by an ordinary Indian Commissioned Officer. That can be got over, but it is a point to be considered. It all comes into the size of the armed forces of the future. There is another point too. We all hope and expect that constitutional changes will come about in the next few months, and this point is a major problem almost; and it may be that it will be better to defer it until another Government comes into power. I am not shirking responsibility, but that is a point to be considered. I would also like to add that the newly constituted Defence Consultative Committee, so far as the other House is concerned, in future will be more representative and I think will carry more weight——

THE HON. MR. M. THIRUMALA ROW: On a point of information. Is this House represented on the Defence Consultative Committee?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Yes, certainly. I hope I shall have the advice of the Defence Consultative Committee of this House, because I require no better advice.

The next point if I may keep you a few minutes longer, is the question of the junior officers; and my Hon. friend said and I think quite rightly—that although he agrees that for the future for some time we may require British officers with our Indian forces, until such time as we have sufficient Indian officers of the right qualifications and experience to take their place—I think that is generally admitted—the junior ranks should be nationalised, should consist of Indian officers from now on. I can say that I entirely agree with him. I would like to point out one or two matters connected with this question because it is not a simple problem. He asked, I think, why not take all the Emergency Commissioned Officers who are now serving, about 9,000? We have to impose certain age limits, otherwise from an actuarial

[His Excellency the Commander-in-Chief]

point of view you will get some time in the future a block of officers all of the same service of whom very few can be promoted. But those age-limits have been very carefully thought out and very reasonably applied. Every Emergency Commissioned Officer within those age-limits is free to volunteer for a permanent Commission and 2,500 have so far volunteered. Of those about 1,800 have been interviewed by the Selection Board about which you know ; and of those 1,800 who have been interviewed, 500 have been chosen ; that is to say, 30 per cent. That figure is quite fortuitous—almost the same figure which has come about in the British Army. Quite separately the same figure has emerged from both examinations, and it is a reasonable figure. Those 500 have been chosen and they are being commissioned or have been commissioned already. We hope there will be more coming forward, because there are still Emergency Commissioned Officers who have not yet reached the upper age-limit, still below the lower age-limit. That is the case as regards the Emergency Commissioned Officer. You will say "Why not take more" ? If you take more, you lower the standard and so far since I have been here, since I have had this great responsibility, I have steadily refused to lower the standard. I can assure you that that is done in good faith and not with any idea of shutting out any Indian officer. If I lower the standard, I feel I shall be failing in my duty towards the Army and India and India of the future. It may be our standards are too high ; perhaps they are—but I do not think so. If the future Government thinks that they are too high, they can lower, but I could not lower them without doing an injustice to myself, to the Army and to India.

As regards other sources of recruitment for officers, we have opened the Indian Military Academy for regular commissions and the first course has already started and the next course begins on the 1st of May. There are 300 cadetships and for 300 cadetships we have only had 195 applications; and of those 195 applications judging, from previous experience, it is extremely unlikely that we shall get more than 25 properly qualified cadets for the Academy. That is a very serious situation ; and it is through no lack of advertisement or inducement or publicity or urging. That is the crux of the matter. If you desire the junior ranks to be officered by Indians, as is also my desire, you must produce the right men. And I say this in all good faith and I do hope that I shall get assistance. It may be that the list may remain open till the 30th April. We want many more names. Also I may have in addition a short service commission as a temporary measure and it may be that some of these Emergency Commissioned Officers who do not wish to join permanently or are too old to take up regular commissions may find scope for the next 3 or 4 years. That is an expedient ; it is not a good expedient to fill the ranks ; and that again, I think, proves that we are acting in good faith.

The next point—I am afraid I am rather taking the House too quickly with me—is the question of the Resettlement Directorate. My Hon. friend asked why have a Resettlement Directorate in the Army—rather, it deals with all the three services; it is an inter-Service Directorate dealing with Navy, Army and the Air Force—when it has a civil responsibility. Well, that is quite true and a very legitimate question and the answer is this : that the Civil Departments responsible were not ready to shoulder their responsibility when the war came to an end—I don't think—and I am sure due to no fault of their own, because the war came to an end very abruptly—there were many problems that were to be solved and we were caught unawares—and they were not ready to shoulder their responsibility—a very grave responsibility as, I think, Hon. Members know—and that is the sole reason why we kept on this Directorate, but the earlier they take on their responsibilities the better I should be pleased because it has added another burden to an over-worked Department. The strength of the Directorate for the moment is 30 officers and about 80 others. The cost last year was about Rs. 7 lakhs but I hope as the year goes on, and as the Civil Departments assume their responsibilities to a larger extent, we shall certainly reduce our Resettlement Directorate accordingly, and that is my object.

Sir, one more word as regards the size of the Defence expenditure. I am not in the least surprised that this should be criticised and I can assure the House, Sir, that so far as we are concerned we are doing our utmost to reduce the forces as

quickly as we can, but it is a very difficult, complicated and delicate problem. It does depend to some extent on the return of forces from overseas—I am glad to say they are now coming in very rapidly—but there are many other problems to be considered, but I think I can say that certainly we are doing our utmost to reduce the size of these armed forces consistent, as my Hon. friends will agree, with the need for ensuring security. I can assure the House that we are not taking refuge behind the cloak of "ensuring security". (*Applause.*)

THE HON. THE PRESIDENT (to the Hon. Mr. H. D. Townend): We will now proceed with your maiden speech in this House.

THE HON. MR. H. D. TOWNEND (Bengal Chamber of Commerce): Thank you, Sir.

Mr. President, it takes a little effort to turn our minds back from war and defence problems to the more dreary problems of taxation and finance, but I did not realise that His Excellency the Commander-in-Chief was about to address the House, or I would not, Sir, have tried to catch your eye just at that moment.

I just wanted to say that this Budget, which we have been and are considering, is a good Budget. It makes for enterprise. It is an antidote to that deflation which we must now face with the cessation of war-time spending. There is a point about the Excess Profits Tax that can perhaps bear examination. The abolition of E.P.T. is a courageous act and a sound one. The Excess Profits Tax had its advantages but it pressed unfairly on certain undertakings. The proposed scale of taxation does not entirely free us from the burden. It does not go from one extreme to the other, for in freeing industry from the burden of E.P.T. we must necessarily pay more income-tax. The industrialist and the investor alike will have to pay income-tax on what they have been freed by E.P.T. and perhaps you may, Sir, be interested in some figures that I had worked out for me for a company just taken at random with which I happen to be concerned. The figures show that whereas before the Budget proposals we would be paying 81 pies in tax if we put all our profits to reserve, we shall under the new proposals pay 72 pies. Well, there is a difference of 9 pies in 81 which is a relief of 1/9th but no more, and if we were to pay all our profits in dividends—and you will remember the point about extra taxation on dividends in the Budget—we shall be paying 87 pies where we paid 93, so that there is not much relief. I mention this as much emphasis has been placed on the relief to the rich man. Well, now, in passing I would like to remind you, Sir, that the rich man is not the only shareholder of companies. Most companies have a large proportion, if not of poor men, at least of men who are not very rich, and I was glad that my Hon. friend Mr. Gibbons referred in this connection to the poor man. The poor man the interests I represent are concerned with is the worker, the man employed by commerce and industry, the factory worker; and the greatest contribution the industrialist can make to the poor man's welfare is by way of healthy and expanding industry and commerce. I am not one of those, Sir, who hold the view that benefits are best canalised through Government channels and that Government as an employer can best create employment. To take money from industry by way of tax does not, I consider, mean that the money will be better spent than if it were being spent by the industrialist directly through wages or through welfare schemes which he must provide, if he is a good industrialist, for the benefit of the worker. I mean, of course, good housing, proper water supply, medical benefits, industrial canteens. I could go on mentioning a large number of things which the industrialist has provided and which he must provide in the future either because he is a good industrialist or because Government schemes of welfare are going to make him do so. We have had in the past year, announced by Government, a most ambitious scheme of welfare for the factory worker. Well, those schemes, Sir, depend on flourishing industry, and industry will not flourish if burdened by excessive taxation or with its enterprise cramped and its expansion made difficult, and that is why this Budget is a good budget and that is why through prospering industry the poor man is going to be benefitted too.

[Mr. H. D. Townend]

Reverting, Sir, to this question of Government control or Government management of industries, services such as the telephone service are not improved by the mere fact of Government taking them over. The contrary may be nearer the truth. That great country, the United States of America, where the telephone system is unsurpassed, relies on private enterprise for its telephones. Mere transfer of ownership does not necessarily mean an improvement, or progress. I have in mind the transfer, such as has been suggested, of the management of business undertakings from my community to other hands. That will not necessarily be of benefit to the country. In fact, Sir, emphatically the contrary. My community have given to this country, where we spend our working lives, every bit as much as we have received.

We have been told much about the sterling balances. Those sterling balances must be repaid in goods and services, and the payment will have to rely largely on the maintenance of British trade in and with India. Quite soon the Cabinet delegation will arrive in this country. I suggest that there are two necessities for ushering in the self-government which they are expected to bring to this country. One is sound finance. I think this Budget is an indication that the financial foundations have and are being soundly laid. The other, Sir, is respect for law and order. Sound commerce—I will not mention the political features of the case—sound commerce and industry cannot flourish except in an atmosphere of tranquillity. Those of us who may have seen the recent happenings in Calcutta or Bombay know that one necessity for the future of this country will be respect for law and order.

*THE HON MR. SUSIL KUMAR ROY CHOWDHURY (West Bengal : Non-Muhammadan) : Sir, at the outset I want to lodge a protest through you that the Finance Member has not thought fit even to be present here for a few minutes—

THE HON. THE PRESIDENT : The Hon. Member has anticipated me. When the proper time came, I fully intended to bring it to the notice of the House that the Finance Member is unfortunately indisposed today, otherwise he would have been too glad to have appeared before this House. I was going to mention this fact when calling upon the Hon. Sir Cyril Jones to address the House later.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY : Thank you.

Sir, this Budget, as introduced, is mainly to help industrialists, and it also gives some relief to persons paying income-tax up to a certain level. I have nothing to say against that. This Budget has undoubtedly pleased the vociferous section of the public. But the vast majority of Indians are neither industrialists nor have they any taxable income. What has the Finance Member done for them? He says that he has done something for the poor by reducing the duty on kerosene. Sir, to my mind this is a very small relief. Most of the poor people in villages take their meals early and go to bed early, and they use very little kerosene. If the Finance Member had wanted to do something for the poor, he could have reduced, or, better altogether done away with, the taxes on salt, tobacco, matches and betelnuts—daily necessities of the poor man in this country. I am glad to know the Finance Member has agreed to review his taxation proposals in the light of the criticisms made by the elected members in the Legislative Assembly. I suggest that provision should be made for opening subsidised Government stores in every town and every village unit for supplying food grains at cheap rates and below cost price to poor men having an income below a certain level and to agriculturists who do not possess at least five acres of cultivable land and who have minor, female or infirm dependants to maintain.

The Finance Member talks of poverty, squalor, ill-health, under nourishment, etc. It is all the creation of this Government of which the Finance Member is in charge of the finance. They have not only made them poor, they let them die like rats in epidemics like cholera, small-pox and other diseases for want of medical help. Not only that ; the Government have made them nude. They have rationed cloth, but they do not supply the cloth. The first principle of rationing is a regular supply of the quantum allotted to every person. In Delhi, people who have got cloth coupons could not get their quota during the last quarter from any of

*Not corrected by the Hon. Member.

the ration shops, and they are told that their quota for that quarter is forfeited. This is very unfair. I know in Bengal in villages they are lucky if they get one piece of cloth in one year for the whole family, and that also in many cases 32 inches in width. The Hon. the Finance Member has withdrawn the excess profits tax. The result is immediate inflation in the market values of shares. The share prices of industrial concerns jumped up to an enormous extent immediately after the Hon. the Finance Member's announcement regarding the excess profits tax. Now, Sir, why cannot it be enforced by legislation that no company can pay more than 5 per cent. as dividend on its subscribed capital or in bonus shares to its shareholders ? The rest of the income after keeping sufficient for reserve, depreciation and dividend equalisation funds should be spent for the benefit and welfare of the employees. Five per cent. dividend is by no means a small return on the capital invested. There will not be any dearth of capital for the starting of new industries.

I want to say a few words with regard to the Defence expenditure. I shall only quote from the Audit Report of Defence Services, 1945, to point out how unsatisfactory is the way public money is spent and accounts are kept by the Defence Department. This is what the Accountant General, Bengal, says on page 8 of the Audit Report, Defence Services, 1945 :—

The Accountant General, Bengal, reported as follows :—

" (*i*) In certain military works executed by a District Officer through the District Engineer the following important irregularities were noticed :—

(*a*) No detailed estimates were framed, no tenders called for, and no formal requisitions obtained from the military officers concerned. The bills were mostly countersigned by them however in token of acceptance, apparently without any authority.

(*b*) A sum of Rs. 5,61,179 was paid on bills not counter-signed by any military officer. Another sum of Rs. 1,61,355 was similarly paid on muster rolls without counter-signature or requisition by any military officer."

Then, Sir, there are a larger number of irregularities.

" An unauthorised payment of Rs. 1,80,938 was made to a contractor on several bills passed for payment by the overseer-in-charge, in respect of coolies numbering between 5,414 to 32,881 supplied on different dates apparently without any evidence as to the number of coolies actually entertained, and without any requisition by military officers."

About house replacement costs.

" A sum of Rs. 91,000 was overpaid as replacement cost of houses in two *mauzas* as the payment was based on wrong measurements. A sum of Rs. 19,000 was paid in respect of huts which could not be traced. In certain cases the replacement costs were calculated at rates higher than the normal with the concurrence of Government ; but the basis on which the higher rates were approved was not known to audit. The extra amount involved is about Rs. 1,89,000."

I can add any number of instances. A Planter's Association was authorised to make arrangements for labour and to keep their accounts. This is what the Report says about them :—

" A scrutiny of the accounts kept by the Controller of Military Accounts indicates that up to the end of October 1943 the Association drew amounts totalling Rs. 8 crores 24 lakhs. Against this, audited accounts had been received for Rs. 6 crores 19 lakhs only up to October 1944, leaving a balance of 2 crores 5 lakhs not accounted for at all——"

THE HON. THE PRESIDENT : Are you going to exhaust all your time in reading extracts ? There will be no time left to speak on any other point.

THE HON. Mr. SUSIL KUMAR ROY CHOWDHURY : I will not exhaust my time. I will only add one more remark as to how high profits were made by certain firms. This is on page 26 :—

" A company was formed in India in June 1941 by the combine of a British and American firm, the first producing the stores in India and the second importing them."

How they increased their share capital is like this :—

" In the new venture the capital of 57 lakhs included an amount of Rs. 30 lakhs for goodwill of the two parent companies, which was created and related to the profits earned by them in the past. This goodwill was admitted as a part of the capital employed in negotiating the profit margin to be allowed on Government orders. The point for consideration is how far such goodwill should be included in the capital of a subsidiary company for computing the capital employed for purposes of allowing profits."

[Mr. Susil Kumar Roy Chowdhury]

I say, Sir, this is nothing but cheating the Government of India. What do the Government think of this Report and what steps have they thought fit to take ?

There is not enough time left for me today and I shall deal with the serious irregularities about public funds, mentioned in the Report of the Public Accounts Committee, during the debate on the Finance Bill.

Lastly, Sir, I hope the Government will have at least good sense in acting up to the terms of the Resolution moved by the Hon. Mr. Motilal the other day regarding the raising of the number of elected members of this House before the next general election in order to take away to a small extent at least the public opprobrium attached to this House.

THE HON. SIR RAMUNNI MENON (Nominated Non-Official) : Sir, the Finance Member is to be congratulated on the general approval that has been accorded to his Budget in all sections in this House and elsewhere. If I proose to offer a few remarks by way of criticism it is not to be supposed that I am in any way unappreciative of the general merits of his proposals or of his sincere desire to set the economy of this country going along proper lines. The first subject that I should like to touch upon is the rise in prices. Curiously enough, this subject is hardly mentioned in the Finance Member's speech, though it has been the subject of casual reference in the course of the debate by one or two members. I do not wish to touch upon any controversial issue, but I think the fact of the rise in prices which has taken place during the war will not be denied ; nor that this rise has been to a considerable extent the inevitable result of the increase in currency. Rise in prices is an accompaniment of war-time finance. We all know that. Such rises have taken place in other countries. In the United Kingdom there has been a rise in prices. But the peculiar thing about the rise in prices in this country is that it has been so very much out of proportion to the real economic requirements of the country. I believe I am right in saying that the rise which has taken place here is something of the nature of 240 per cent. That is to say for an article for which one would have had to pay Rs. 100 in pre-war times, you have now to pay Rs. 240, whereas the rise in prices in England is something of the nature of 60 per cent. We need not stop to argue why this differential increase has taken place. For my present purpose it is sufficient to inquire what Government are going to do about it. Have they got any price policy at all ? It cannot be that they have not thought of this matter. But is it that they are unwilling to come to a decision or to announce a decision if they have already reached one ? Anyhow, the point is of very great importance to the community as a whole. It certainly is of very great importance to certain sections of the community. I ktnow that big business interests and big landlords have materially benefited by his rise in prices. On the other hand, I am painfully aware that sections of the community notably those with very low incomes, and particularly those whose incomes are fixed, have been terrible sufferers from this increase in prices. I suggest that something should be done to relieve some of the burdens which these sections have borne so patiently during these six years. I know there will be tremendous opposition to any proposal of that kind. But the Government should be strong enough to resist pressure that is likely to be brought to bear upon them from interested quarters. This question of price is of very great interest from another point of view. Nobody has ever suggested that this country will, in the near future, wish to be self-sufficient. I suppose it will have to export all kinds of goods. We can only export if we are prepared to produce goods which will compete with goods of other countries in our export markets. How can we export to any advantage unless we can fix a very low price on our export commodities? Therefore, from the point of view of international trade as well as from the point of view of justice to particular sections of the Indian community, it is essential that some attempt should be made to lower the present level of prices. In what practical way can we bring about a reduction ? Obviously there are certain methods. By mopping up all surplus purchasing power that now remains in the country; in other words, by imposing taxation up to the highest limit, and by persuading people to subscribe to all kinds of Government loans or savings banks or securities of any kind. Secondly,

by increasing the production of consumer goods in this country. And lastly, by bringing the fullest volume of imports into this country of consumer goods as well as capital goods. On this last point, I know I am voicing a very unpopular sentiment. But popular or unpopular, the proposal should be seriously considered in the interests of the large masses of poor people in this country. I therefore hope that the Government will seriously consider whether it cannot take steps—positive steps—along these lines in order to mitigate the hardship that the rise in prices has inflicted on considerable sections of the Indian population.

Another subject on which I would like to say a few words is this. It is gratifying to be able to note that the provincial five-years programmes have all been received. They are undergoing examination in the appropriate departments and in the course of a few months all these schemes will be finalised. I suppose the next step will be that the Provincial Governments will be asked to proceed with these schemes, taking up first such of them as will be of immediate use in regard to resettlement. So far I have no complaint to make. But in one or two places in the Hon. the Finance Member's speech stress is laid on one aspect of this development programme. The Finance Member,—I am not quoting his words exactly—as far as I am able to remember, has urged upon all the Provincial Governments the necessity of concentrating in the next few years upon schemes of a productive character, that is schemes which are likely to produce revenue. If the Finance Member really means what his words seem to convey, two considerations emerge, namely, that a distinction is to be drawn between measures of development which will bring in revenue and those which will not. Among these latter I would include things like the expansion of education and other forms of social service. Secondly, that financing of schemes should be confined at present to measures which are in a way absolutely essential or likely to produce income. I must express my strong disapproval of these lines of demarcation. We can only conceive of development in its totality. We cannot split up various schemes into two different classes, one set tending to produce revenue—productive—and the other non-productive, and apportion expenditure according to our estimate of their income yielding quality. No country can progress along these lines. I would ask the Government of India to take a leaf out of the book of the poor man in this country. The poor parent, if he has no income, borrows money to educate his son, because he knows to educate his son is to give him a means of livelihood. I therefore hope the Governmeent will abandon this idea of distinguishing between productive and non-productive schemes in their post-war planning.

I should like to say a few words about another important subject. The Finance Member has announced his intention of setting up a Taxation Enquiry Committee. I think that proposal is highly welcome. He has asked for opinions of members. I am quite willing to express my opinion. I suppose there will be a set of terms of reference given to this Committee. In the terms of reference a very clear emphasis should be put upon certain aspects of finance. The immediate need of the State is finance—to finance not only its ordinary activities, but its exceptional responsibilities in regard to the future development of this country. This finance it can only get either by taxation or by borrowing. I am an advocate of full-blooded taxation and I would like the Government to require this Enquiry Committee to carefully investigate and ascertain all methods of taxation which we can reasonably bring into use. Secondly, a very important feature of taxation is that it is a very convenient and recognised method of redistributing income among various classes of income-earning groups. Such redistribution has taken place to a considerable extent in Great Britain. In the well known White Paper on the Sources of War Finance and Estimates of National Income and Expenditure, which was published in England last year, there is a very interesting table to which I would like to call the attention of members. It is a table showing the number of individuals included in different ranges of net income in two separate years. There is revealed in this table this interesting fact. The number of people in England in 1943-44 who had a spendable income of £6,000 and over was 80—eight times ten. That is a remarkable figure. I have seen in another place a statement that all those who possess £7,000 and over of spendable income in England can be put into one bus. I do not know how many seats there will be in the bus, but probably

[Sir Ramunni Menon]

its holding capacity including straps, will be about 50 or 60. I would like to know how many people there are in this country who possess a spendable income of one lakh and over.

If the Hon. the Finance Secretary can in the next year's Budget statement give us a table giving the number of individuals in the different income groups, it would provide most interesting information. I therefore hope that these two aspects—as a distributionary factor and as an income-bringing factor—would be considered by the Committee.

Another point, Sir,—

THE HON. THE PRESIDENT : You have already exceeded your time by ten minutes. I cannot allow you further time.

THE HON. SIR RAMUNNI MENON : A Taxation Enquiry Committee, consisting only of experts who shall have no connection with any business or landed interests in this country, should be appointed. If possible—I am making a suggestion which would be unpopular—the Chairman should be a man, if one is available, brought out either from England or from some place outside this country.

THE HON. SIR MAHOMED USMAN (Leader of the House) : May I know, Sir, when you intend to call the Finance Secretary to speak ?

THE HON. THE PRESIDENT : There are so many members who are very anxious to speak, notwithstanding the fact that I have told them not to speak unless they have anything new to say, but they still persist in repeating many of the arguments.

THE HON. SIR MAHOMED USMAN : How many members are going to speak?

THE HON. THE PRESIDENT : There are, I think, four and Mr. Hossain Imam. I am afraid we shall have to sit till 6 P.M.

THE HON. SIR MAHOMED USMAN : Some of us have got to attend a meeting of the Executive Council. May I suggest, Sir, that we follow the practice in the other House of allowing only the Leaders of Parties, and not every member, to speak and after they have had their say you can call on the Finance Secretary.

THE HON. THE PRESIDENT : I agree, or, on the next Finance Bill day, I would ask the House to sit at 10 A.M. I shall have to do one of the two things.

THE HON. KHAN BAHADUR KARAMAT ALI (Assam : Muhammadan) : The Budget that has been presented before us has been so thoroughly thrashed and re-thrashed both inside and outside the Legislatures that I think nothing has been left for us, the back-benchers of this House, to comment on at this fag end of the day.

I, however, feel that I shall be failing in my duty if I do not place the case of my Province before the Finance Secretary who is in this House so that he may do something for us to improve our lot.

Sir, the Hon. the Finance Member has tried to adjust the power to produce and consume with a view to bring about an uniformity between war and peace. Only the future will show how far he has succeeded. Although in his speech he has said that he is anxious to give relief also to the poor his proposal to do away with the E.P.T. and continue the duty on betel nuts does not justify his statement. Betel nuts is a commodity which is largely used by the poor and now that the war is over there is absolutely no justification to continue this burden on the poor people. In Assam this tax is very much resented because it is not only the tax itself that is hated but the procedure followed in Assam to realise the tax is faulty and detrimental to the tax-payer.

Sir, on page 17 of his Budget speech the Hon. the Finance Member says that the quinquennium grants on post-war schemes will approximately amount to Rs. 250 crores and this will be distributed on population basis. I suggest that instead of taking population as the basis the Australian system of taking into account the natural resources of each province and its capacity for industrial development should be the main factors for consideration in the distribution of such grants.

Sir, while giving relief to the poor the Finance Member took into account kerosene oil alone. It has been pointed out that salt and tobacco are also things in which the poor are mainly concerned. I think the Hon. the Finance Member instead of giving relief to the richer class of people should have first abolished the taxes on these two commodities. The postal rates especially on post-cards should have also been reduced.

Sir, I have come from a Province which has been systematically neglected by the Government of India. This is a province which seldom found any place in the records of the Central Government whenever any big project or scheme was taken up for the benefit of Indian provinces. This is a province whose feeble voice, if it has any voice at all, in matters of all-India decisions about provinces, could hardly reach the ears of those who held the helm of the Central Government. This is a province which according to certain Assam officers did not even find a place in certain maps prepared for the Government of India Secretariat. It is this province that the Japanese selected to invade. This invasion brought horrors into my poor country. Hundreds and thousands of people were forced to leave their hearths and homes to make room for the military and to facilitate military operations. All this happened because of the gross negligence with which my province was treated in the past by the Government of India. There were no roads worth the name, no proper telegraph or telephone connections, no post offices, except a few scattered here and there, no railway lines at places where there should have been such lines and absolutely no arrangement for defending the country from any sort of attack from outside and it was therefore no surprise that our enemy was encouraged to spot this place as the most convenient to fight their way into India. When they came the Government of India and the British Government had to pay a very heavy penalty for their past criminal omissions. Roads had to be made, railway lines had to be increased, telephone connections had to be put up, telegraph lines had to be doubled and post offices had to be given in places where there were none and as all these had to be done in as short a time as possible without any loss of time, lacs and crores of rupees had to be spent and this colossal expenditure had to be incurred because the province was deliberately neglected in the past. In spite of all that we suffered our sufferings were indescribable, our miseries were inconceivable. I must admit that there was one silver lining because it is the war that brought my province into prominence. It is that tiny little Assam, unknown and utterly neglected to which not only the Government of India but the whole of India looked to for the safety of this great sub-continent, India. If Assam is safe, India is safe was the cry at the moment. I have come from this province. The battle of Kohima was fought only about 60 miles away from my home.

Now that the war is over, may I know from the authorities concerned whether Assam will go back into the same old dark and dusty shelves of the Government of India Secretariat or will she be kept before their eyes so that the province does not fade away from their minds ? Well, if you want to remember Assam, if you want to remember the lessons of the war, I would like to remind you of our old story, a story which was repeated to you times without number but which you refused to hear.

Assam should have been treated as the North East Frontier Province but her position as such was never recognised by the Central Government and though they lavished enormous sums of money on roads, railways, etc., for the North West Frontier Province, not a single farthing was given to Assam. On the other hand, Assam was made to pay for about 25 years an annual contribution of 5 lakhs of rupees for the Assam Rifles, a sort of militia organisation guarding the Frontier on the plea that the force was available for us of Assam in times of local emergency.

[Khan Bahadur Karamat Ali]

In India Assam is the only province where sufficient quantity of petrol and kerosene is produced from crude oil pumped from the bowels of the earth. The Assam Government gets on an average only 7 laks of rupees as royalty on the crude oil but the Central Government takes away on an average 1½ crores of rupees on excise duty on the same petrol. When the Government of Assam protested against this inequity, she was even denied an official representative to the Round Table Conference of 1935, lest the Assam representative would press the allocation of the excise duty on petrol, etc., to Assam,—the injustice of this will be apparent when it is remembered that on the pressure of Bengal representatives to that Conference for giving them relief from the jute export duty a concession of half a rupee per maund was given to jute-producing provinces, though jute is an annually growing commodity while the crude oil pumped, means the using of capital, the natural wealth of the province, and it cannot be replenished.

Assam is as big in extent as Bengal, roughly ——

THE HON. THE PRESIDENT: This is not the time to make comparisons between Assam and Bengal. I may tell you that I will take your speech as read if you like, but I cannot allow you to read all that manuscript.

THE HON. MR. HOSSAIN IMAM: Let it be taken as read.

THE HON. KHAN BAHADUR KARAMAT ALI: The Province is divided into two valleys,—the Brahmaputra and the Surma, as a ridge of hills start from Mymensingh the borders of Bengal right up to the tri-junction of India, China and Burma. This necessitates double Public Works Department roads in the two valleys. Even in the valleys such road system has to be duplicated in the two banks of the rivers. For example, the Assam Government has to buil and now maintain two trunk roads on either side of the Brahmaputra. Long distances separate the headquarters of the hills from the plains and costly roads are necessary to join them, *e.g.*, Shillong the headquarters of the Government is joined by a 69 miles road from Pardu on the north side and 89 miles road from Sylhet side.

Yet this Province did not get any help from the Central Government in any way. When the Percy Federal Finance Committee came along with the Senior Commission, they after due deliberations advised that Assam could not be put on an even keel unless she was given a subversion of 65 lakhs of rupees annually from India Assam claimed more, but even this recommendation of the Percy Committee was reduced to meagre 30 lakhs by the award of Sir Otto Niemeyer. This preceded the inauguration of the 1937 Reforms. Bengal got about 20 crores of rupees as help from the Central Government between 1942—1945, but Assam got nothing during this period when her home lands were invaded by the Japanese.

Sir, the Province of Assam has been suffering from many disabilities from nature as well as from the step-motherly treatment received from the Government of India.

Now that a new constitution is in sight may I request the Government of India to see that justice is done to Assam and she receives a fairer deal. In the intervening period Assam should be helped by a substantial contribution and sooner this contribution is made the better for the Province.

I think I can reasonably demand better treatment for Assam especially in consideration of the fact that when India wanted her help in the matter of food she gave it unhesitatingly. Assam was a deficit province as far as rice was concerned. We had to import about 12 lakh maunds of Burma rice every year. But Assam started her "Grow More Food" campaign in 1940-41, bringing up more area under rice cultivation by selecting Government waste lands, though on a limited scale, and by diverting jute and mustard seed land to paddy cultivation to the extent of 28 and 18 per cent. respectively. Thus, from 1943 onwards Assam has become a surplus rice area, and during the war period Assam supplied about 27 lakh maunds of rice annually to the military and 15 lakh maunds to Bengal in her famine year. When the Government of India tried free trade between the Surma Valley of Assam

and East Bengal, very nearly 25 lakh maunds of rice were carried away to Bengal by country boats. In 1944-45 also Assam supplied to the army and to the deficit areas on an average about 60 lakh maunds of rice. Assam could supply one crore maunds to needy provinces if the rest of her cultivable waste lands were settled and brought under cultivation, but a perverted settlement policy of successive Governments of Assam is responsible for not throwing more lands open to settlement for cultivation. There are thousands of applicants, both local people and outsiders, for settlement, but as the Government of Assam has not been able to come to a clear cut policy, there are still vast areas lying unproductive.

Sir, Assam has a population of about 12 millions, and the sugar quota for the province is about 19,000 tons a year. This means less than one chatak a month per capita. Instead of the quota being increased, I understand that it is going to be reduced. If this is done, the rural population is bound to go without sugar, because rationing at one seer per individual per month in towns takes away the lion's share of the present quota. The last census figures are no criterion for the present population of Assam. The Bengal famine, the war projects and the post-war schemes have naturally brought in more people. Therefore, the pre-war estimates on which the Assam sugar quota was fixed are not applicable now. It may be remembered that there is no sugar mill in Assam and therefore no sugar outside the quota is available.

Mustard oil is another problem in Assam, specially in the Surma Valley. This is due to transport difficulties. If private traders are allowed to import from the United Provinces or the Punjab under some arrangement, I think the situation may be easier. Salt should be thrown open to trade. The present arrangement of giving Assam one-seventh of the allotment to Bengal is most unsatisfactory.

Sir, I have all the time cried for Assam. I hope I have not cried in the wilderness.

*THE HON. MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan) : Mr. President, I regret that I have neither the bouquets to present—because the garden of the agriculturist has been laid waste—nor any brickbats left, because the people have cleared even the rubble from their houses and we have nothing left to throw at the Finance Member or the Finance Department. I look at the Budget from the point of view of the ordinary man in the street. I know that it has been received with a grunt of satisfaction by the bloated capitalists, and with a grain of appreciation by the earned-income-wallas who have received different kinds of presents ranging from Rs. 25 to 100 as tax relief under the present Finance Bill. I know that the poor man in the street has only groans, not because the tax burden has not been removed from him—he is so poor that he cannot be subjected to a tax—but because no appeal has been made either by the Finance Department or by the representatives of the people to the industrialists that they must pass on the reliefs which have been given by the Finance Department to their ultimate masters. I am not opposed to the abolition of the excess profits tax because, after all, it is not the capitalist who pays it, but his ultimate master—the consumer—from whose pocket he has filched it. It was only yesterday evening that the Hon. the Finance Member did express, I will not call it a reprimand, I would call it a little warning—the Finance Member issued a little warning to the capitalists. But the whole of the speech of the Hon. Member does not contain any indication that he expects the capitalist to pass on the tax relief to the consumer. I think it would be in the fitness of things to issue a stern warning to the capitalist that the excess profits tax has been removed so that its benefit may be passed on to the ordinary consumer. Sir, I do not know whether in England it is proposed to abolish the excess profits tax or not. But even if they did abolish it, they would be doing it in order to reduce the costs. England has to live now——

THE HON. THE PRESIDENT : They reduced it to 60 per cent. in the supplementary budget, and at that time I saw in the papers that they had promised to abolish it altogether in April.

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*Not corrected by the Hon. Member.

THE HON. MR. HOSSAIN IMAM: I do not advocate its retention here. What I do advocate is that its removal should be accompanied with a stern warning that unless the capitalists bring down the prices they charge to the consumers the Government will be compelled to take other steps which will be more persuasive. I am making this assertion because of the fact that in the Explanatory Memorandum which the Hon. Member has submitted there is an indication, on page 61, that in the space of one year the price of iron and steel shares has gone up from 369 in August 1939— taking 100 as the base for 1927-28—to 583 in January 1945, and to 699 in December 1945; and today, if you compare the prices of Tata Deferreds, you will find that it is touching 750.

THE HON. THE PRESIDENT: But that does not represent the correct value. It is all speculation.

THE HON. MR. HOSSAIN IMAM: I knew that this kind of remark would be made, and I have strengthened myself. I am prepared to quote to you other figures. Take the figure for the coal industry: it rose from 310 in January 1945 to 373 in December 1945. This includes 13 shares. The iron and steel section includes three companies—Tatas, Indian Iron and Scob. Tea shares have gone up from 125 in January 1945 to 139 in December 1945 because it is more or less an agricultural commodity. But the worst offender in this respect was the paper section: the price went up from 495 in January 1945 to 635 in December 1945. And this in the course of one year, and without the abolition of the excess profits tax.

If the abolition of excess profits tax means only putting more money into the pocket of the capitalists, then we are bound to oppose it. But if it means giving some relief to the consumer, then it should be welcomed by all, not only by the capitalists, but by everybody who is interested in the well-being of the country. I think the Finance Department should make up its mind one way or the other. What is it that they propose to do? Do they wish to deal with inflationary effects, or do they wish to deal with deflationary effects? I find that the actions which have been taken by the Department are not of one kind. On the one hand, you give relief in taxation and thereby fight deflation. On the other hand, you want to take loans, which is a pronouncedly deflationary measure which was resorted to during the whole of the war period merely on the ground that you wanted to take away the additional purchasing power from the hands of the public into the coffers of Government. I find a strange remark in the speech of the Finance Member. I do not think he ever considered that his remark would recoil on his own head. On page 11, at the end of paragraph 25, he says:—

"I greatly hope that the day is not far off when the people will cease to keep the bulk of their savings in the form of hoarded currency, or bullion or superfluous ornaments, and will put their savings to work to create new wealth. It has always seemed stupid to me that man should expend so much effort in digging out treasure from mineral deposits only to bury the bulk of it in safe deposits."

And what is the Government of India doing? It is digging money out of the pockets of Indians in order to put it back in sterling securities. It is as bad as burying gold under the earth, to keep your money in sterling without any need for it. Sterling has ceased to be a hard currency, a currency which can purchase commodities from outside. When we passed the Reserve Bank Act there was, rightly or wrongly, an impression that sterling was as good as gold, and we made provision that our foreign assets should be held in sterling as well as in gold. Now that sterling has ceased to have any purchasing power outside the British Empire, it is idle for us to take money at 3 per cent. interest and deposit it in England and invest it in treasury bills in the United Kingdom at 16·35 shillings for £100. Nothing could be worse and nothing illustrates better the subordinate nature of the Government of India than this. The opening balance on the 31st March, according to the Hon. Member, will be about Rs. 500 crores. We will have about Rs. 1,700 crores in the sterling balances and still we must go into the market and start a deflationary process of taking money out of the pockets of private persons. Why not leave this money where it is and thereby save some money to the Indian tax-payer? What is the good of borrowing money and leaving it in the Reserve Bank? If you want to have deflationary measures, say so. Take all measures which will have that effect. Then you will not be justified in giving tax relief.

I would have liked to stress certain important points but I think I will have to defer them for the discussion on the Finance Bill. Just now I would like to mention only two or three important points. Firstly, I should like to say a few words about the expenses of our Defence Department. The Hon. the Finance Member himself has laid down some very sound principles in his speech. I would like to quote him.

"While the war lasted, the budget estimates of the defence services ceased for the most part to serve as instruments for restricting and generally controlling expenditure. This was inevitable in view of the impossibility of foreseeing the course of the war."

But what is happening now? The war is ended after 6 months of the current year but the war expenses have not fallen to anything comparable with the necessity of economy. I would like to specify two items—I am referring to the Defence Estimates, page 3, Main Head 3, certain measures of Military Defence. The original budget was for Rs. 98 crores and you have brought it down to Rs. 96 crores—a reduction of less than Rs. 2 crores after 6 months of war and 6 months of peace. Does that show that there has been any effort made by the Defence Department to curtail military expenditure? Then under the head "Miscellaneous", the fall is from Rs. 36,65 lakhs to Rs. 35,67 lakhs. There are heads in which there has been a little increase even. Against the head "Certain measures connected with local naval defence" there has been a slight increase of Rs. 6 lakhs. Does that show that there has been any control on the war expenditure? I do suggest, Sir, that there is urgent need of retrenchment. Our expenses are so bloated. I will just give you one instance. The system in the Secretariat was that every one should have a pass for entering the building. The system was abolished and the receptionist and his staff still remain there. There are any number of instances of this kind. If you go through the accounts you will find that there is ample room for reducing expenditure provided there is a will for it. It will be said that everybody is now busy with the work in hand and they cannot find time to consider how expenses are to be reduced. That was the excuse we used to get in the beginning too. But when the times became bad enough, even the then Finance Member felt the need for it, and after the Legislature had finished its session—I am referring to 1931—a Retrenchment Committee was formed and it did wonderfully good work. I am one of those who believe that Government expenditure is a very necessary expenditure. In order to have a better and more equitable distribution of wealth it is necessary that Government should spend money. Without Government expenditure you cannot have prosperity in the country where there is so glaring a difference between abject poverty and extreme wealth. Government perform the very useful task of drawing out money from those who can afford to pay and giving it to those who need it.

In this connection, Sir, I wish to congratulate the Finance Member as well as the Leader of the House for the way in which they have dealt with the grievances of the postal employees. I think that both of them have behaved handsomely and I hope the postal people will be satisfied, and if they are not satisfied, they will urge their grievances before the body which has been formed.

I rather regret that no mention has been made, as if we were still in the midst of the war, of our armed strength. The U. S. A. has been trumpeting even during the war what the strength of their army, navy and air force was. Everything was being trumpeted and they did everything openly. But here we are not trusted. We are not told what is the number of non-Indian troops stationed in India. Even that fact is hidden from us. Yesterday, Mr. Mason, in reply to a question made a statement that the British tommy costs 2½ times that of the Indian sepoy. That is a thing for accounting. You do not know how far it is correct. But what is the harm in telling us what the number of the standing army at the moment is? I know that there is a suspicion of a third war in the offing. I know that the way in which the European powers are manoeuvring for position may lead at any moment to a further conflagration. But I do not think that the fact that India has got an army of, say, 2 million Indians and a quarter of a million Europeans, if this information is published, will make the power you have in mind keen on attacking and that if this information is withheld, it will act as a damper on the audacity or the rapacity of that power. Sir, even now we have had no details of the expenses of the U. K. in England, how much of it consisted of export of foodgrains, how much consisted of export of clothes, how much consisted of supply of munitions of war and so on. No

[Mr. Hossain Imam]

information has been given to us on these heads. We are only told that so much money has been spent by H. M. G. Does it mean that a single Indian soldier is paid for by H. M. G. in India? Or does it mean that we are making supplies for trade purposes? This is what I wish to assert that there is a suspicion that supplies taken for progress of trade are calculated in H. M. G.'s account. The way in which our Dollar Pool has been squandered—I use the word squandered, Sir, because we have no information as to how 265 crores worth of hard currency has been spent by India up till March 1945—means probably that our lend-lease supplies which have been coming to us have been taken credit as hard currency purchases. There must be something fishy, otherwise I know that India has not purchased so much worth of goods on private account, and we know that Government purchases were being made under the lend-lease agreement. In this connection I found a little legerdemain in the Capital head of the Defence Department. I refer to page 8 of the Defence Estimates, Air Force Airfields. The budget was 2,42 lakhs. In the Revised Estimate after the termination of the war it has trebled to 6,05 lakhs. Does that indicate that there has been any control by the Finance Department? What really happened, I think, was that under another head Reciprocal Aid Airfields the expenditure has come down from 10,74 lakhs to 4,49. That has been shifted from Reciprocal Airfields to the ordinary Airfields: otherwise there would be no justification for making airfields in India for the defence of India. From the 1st April 1945 the danger to India has ceased to exist. The Indian Army was operating in Burma and very near Mandalay—I am not sure whether we had then taken possession of Mandalay or not—but the danger from Japan has ceased to exist and there was no justification for capital expenditure on airfields for the defence of India. As I have said before, we have been made to pay for all reciprocal aid given to Americans in India, whether the supply is received from America or by England or by China or by India. Credit was taken for supplies coming into geographical India by three parties, the U. K., China and India: but all the reciprocal aid was given by India alone. This is one of the black chapters in the history of the British connection with India out of many black chapters that exist.

I thought that the Finance Department would give us full details of gold sales by U. K. and U. S. A., but we have been denied that. The Hon. the Finance Member has taken credit in washing out the hard currency assets by stating that 25 crores worth of gold came from Great Britain. They came into India as free import and were sold at black market rates. When we said that either there should be a tax on it or it should be purchased by the Government, we were ignored. Are you wise after the event? You are bolting the door after the horse has gone. You are imposing this 25 per cent. duty now that England has not got to sell gold in India. Is that the way in which a National Government would have behaved? You can console yourselves that you have done the best. But history will show——

THE HON. THE PRESIDENT: As leader of your Party I have given you half an hour. You have five minutes more.

THE HON. MR. HOSSAIN IMAM: I am very glad you have reminded me. I have not much to say. I am reserving all my remarks for the Finance Bill.

I would have expected that greater details of our trade balances with hard currency countries would have been given by the Government but we have not been given anything. Last year the Finance Secretary gave us a very informative chart, but he has this year not been inclined to give it. There were two very useful charts given. This time he thought perhaps he had given too much of a good thing.

I should like to enter a protest against the war risk insurance and factory insurance money being utilised towards reducing the deficit of revenue account. One of the best uses to which you could have put that money was industrial research, because the money was taken from industries and as such it should have returned in a manner which would have directly benefited industry: and there is no better method by which you can benefit industry than by industrial research.

I would like to ask the Hon. the Finance Secretary whether the debit which he has made to our account on account of the Bombay Explosion has been recovered from H. M. G.? Nobody seems to have remembered the fact that this was account debited with the cost of the Bombay Explosion

We were told at the time of this tragedy that Government were in communication with H. M. G. and that the money would be repaid later. I have a sad experience that whenever we do pay something on account of H. M. G. we never get it back from H. M. G.

I am very glad on a personal ground that my suggestion to state more fully liabilities other than interest-bearing ones has been given effect to. I am glad, Sir, that that has been done, although not in as much detail as I would have liked. I would suggest your bringing forward in every capital account your existing liabilities together with the existing assets. For instance, credit for the Govt. of India paper rupees paid to the Reserve Bank is to be found in the revenue account. It is not mentioned in the capital head. This is a sort of capital liability. The effect of deposits of 26 crores has not been mentioned in the capital account. You have not brought forward your last balance in this account. In order to behave as a National Government or a shadow of a National Government, the present Government must not only take credit for reliefs but it must also take credit for strength and it must issue a fiat to industries that prices must come down. In this connection, the Hon. the Finance Secretary had promised that raw materials required for industry would come free. I have received—and some of my friends have received—a representation from the cinema industry that their taxation of the raw film is on the present basis increased, because there the exposed film represents the processing and it is taxed at the same rate as raw film. It is inequitous that you should subject to equal taxation both raw material and a finished product. I think the Hon. the Finance Secretary should give this matter fuller consideration. It is also open to him under the Sea Customs Act to give relief whenever he feels convinced and I leave it at that. I hope that his successor will not find it more difficult when he comes.

THE HON. SIR CYRIL JONES (Finance Secretary) : Sir, I have listened to this debate with the very greatest interest. I cannot profess to agree with everything that Hon. Members have said. In fact, that would be impossible where the views expressed by Hon. Members themselves frequently conflict with each other, but the general tone of the debate, Sir, and the strict relevancy of by far the larger portion of it have made it an extremely interesting debate. Of the many points that have been raised, those to which I am unable to refer in detail in my reply will undoubtedly receive the consideration of the Government.

This Budget, Sir, has, as Hon. Members have recognised, been an extremely difficult budget to frame for the reason that it relates to a year which is a year of transition—and transition in more senses than one. We have, first, the transition from a war economy, to which we have more or less grown accustomed, to the threshhold of a peace economy which may well be the beginning of a strange new world, to which we have been unaccustomed in the past. It is also a period of transition in the political sense, for reasons which I need not explain as they are well known to the House.

There are other complicating factors one of which, in particular, I would mention, namely, the difficulty in appraising the general economy of the country at the present time. The Hon. Mr. Hossain Imam asked whether we were expecting inflation or deflation. The position, as I would describe it, is that the economy of the country is something like a knife-edge, or, if you regard that as too alarming, like a " hog's back " threading its way between inflation on the one side, and deflation on the other. There remains as a residue of war-time economy a plethora of money and shortage of goods and, therefore, it is beyond question that there is an inflationary potential in existence which speculators, hoarders and profiteers are always prone to turn to their advantage whenever they see a chance, and a speculative or inflationary 'flare up ' is thus possible at any time. On the other hand, there is bound to be a heavy reduction in defence expenditure, and a large number of people will inevitably be discharged from war-time jobs. There is therefore the possibility of local pockets of inflation and, if the situation were not carefully handled, we might start on a downward spiral of deflation which might lead to a collapse of prices and widespread unemployment. When you are on a nicely balanced economy of that sort with the risk of a fall on either side it is a little difficult to steer one's course. You have to be prepared for both possibilities. I think it is common

[Sir Cyril Jones]

ground among all Hon. Members of this House and of the people of the country generally that public expenditure must not be allowed to fall too rapidly. We must maintain a fairly high level of public expenditure to maintain employment and to steer clear of the risks of deflation. To me that implies a corollary that a fairly high level of public revenue must also be maintained——

THE HON. MR. HOSSAIN IMAM: Hear, hear.

THE HON. SIR CYRIL JONES ——and yet, having now emerged from the stress of six years of struggle and strain with an extremely high level of taxation, some measure of relief is reasonably and rightly looked forward to. Therefore, Sir, the framing of this Budget involved a balancing of conflicting conditions and conflicting objectives. We had to draw a balance between present needs and long-term requirements. We had to consider the relative importance of relief in war-time taxation, to the need for an increase in the sources and the yield of our public revenues, and we had to balance between the possibility of an inflationary upsurge and the necessity for avoiding too precipitate a deflation. The Budget that we have been considering today, Sir, represents the Government's solution to this many-sided problem, and I would suggest that in forming a view of the Budget it is necessary to consider the proposals as a whole before one can judge as to how far they have succeeded in reconciling conflicting objectives. Inside this House, Sir, as generally outside, the Budget has been favourably received.

I would like to deal with one or two of the main criticisms that have been raised in the course of today's discussion. I think the most common criticism that has been raised is that inadequate relief has been given to, some say, the poor classes and some include also the lower middle classes. I cannot understand that charge in so far as it applies to the lower middle classes because the Government are fully conscious that, for instance, the black-coated worker on moderate pay has been perhaps one of those hardest hit by war-time taxation levels and goods shortages, and a definite relief has been given to him by the reduction in income-tax rates for the second and third income-tax slabs and the very material extension in earned income relief. I have had the results of our proposals for taxation for 1946-47 against various typical incomes worked out in opposition to those which were in force before the war, and I find that next year every person who has an earned income of Rs. 8,000 per annum or less will pay less income-tax than he did in 1938-39 and the relief in the lower stages is particularly noticeable. For instance, a man earning Rs. 2,500 a year in 1938-39 paid Rs. 85 per annum as tax. Next year he will pay Rs. 31. A man on an income of Rs. 3,000 per annum paid Rs. 102 before the war, and will pay Rs. 56 next year. That relief, I would suggest, is indeed substantial and as far as one could reasonably go in the fiscal sphere, having regard to our responsibility for maintaining a high level of public revenue for the financing of a forward policy of national development, including improved social services for the poorer classes.

But the most insistent criticism has been in respect of the poor man, and I would like to explain how I regard this Budget as affecting the poor man. There is, of course, the direct cheapening of his kerosene. There is the prospect of cheaper bus travel on account of the reduction in the petrol duty. There is the prospect of his benefiting by a subsidised building scheme, which is designed to benefit those who are not in a position to pay an economic rent. But all these I regard as small compared with the results to the poorer classes as a whole which will flow from the provision in the Budget for social schemes and interim development works. We are providing for employment-producing schemes, largely through provincial agency, by lump sum provisions of 35 crores by way of grants and 15 crores by way of loans for such schemes as have been selected from provincial development schemes for providing emergency employment. We have ourselves provided for a number of social schemes of benefit for the poor man; and I would further suggest that the reliefs which we have given to industry and business through our income-tax proposals are designed for, and are likely to result in, the creation of employment to the benefit of the poorer classes as a whole.

Then, Sir, in the matter of prices, I entirely agree with the many members who have said that we should do everything we can to secure a reduction of India's abnormally high price level. But so far as fiscal measures can bring that about, I suggest that the indirect effects of our income-tax proposals in the way of reduced rates, and above all the progressively steepening tax on distributed profits, should encourage our industrialists to lower the prices of their goods and sell cheaper. I do not think Hon. Members have appreciated the rate at which and the extent to which taxation on distributed profits increases as distribution increases—if *e.g.*, anything like 50 to 60 per cent. is distributed the increase in tax is very material. Although it is possible that a result of that measure will be to encourage industries to build up their reserves, I think it is bound also to encourage industrialists to reduce the level of their prices. Therefore, these income-tax proposals as they affect trade, commerce and industry should have an indirect effect in reducing the general price level.

The House is aware that in the other place the Finance Member stated that he was prepared to review the whole field of indirect taxation to see if some agreed measures could be taken which would secure the passage of the Budget through the Legislature. This is a very complicated problem : it is not quite so simple as it might at first sight appear. There is room here for weighing relative advantages and disadvantages of either course. For instance, take the suggestion which has been made today of a 50 per cent. reduction in the incidence of the salt tax. That would mean a direct relief to the people of this country of something less than two annas per head per annum, and the loss to public revenues would be Rs. 4½ crores. I am not attempting to draw any conclusion from those figures, and I do not wish to say anything which might in any way prejudice the discussions which are going to take place : I am merely stating facts, as we know them to be facts, and indicating considerations which should be borne in mind in approaching problems of this sort. It will be necessary to take a view as to whether the poorer classes of this country will be benefited more by securing a direct cash benefit of less than two annas per head per annum, or whether the 4½ crores which would otherwise flow into the coffers of Government could be used, in common with similar receipts from other taxes which may be under consideration, for the benefit of India's lower classes themselves. Much the same considerations apply to the post-card rate. India, I think, has been fortunate in that her post-card rate has remained constant throughout the war. India is unique among Commonwealth countries in that respect. In every other country the price has been raised either by 33 1/3 per cent—which applies, I think, to Australia alone—or by 50 per cent. or, in the majority of countries, by 100 per cent. That is a sort of negative benefit that has been preserved to the poor classes of India through the war. A reversion to the pre-1931 level of post-card rates when we are entering a new era with an altogether different price structure, with a loss to public revenues of Rs. 1½ crores, is a matter which can be argued both ways. That again is one of the considerations that will have to be taken into account when these matters are considered. We shall have to balance the proportionate value of these small gifts, where the individual benefit in each case is comparatively trifling, with the obvious benefits which can flow to the masses of the country from a Budget which is framed on developmental lines, as we hope our future Budgets will be.

The next most insistent point that was raised was that of the high military expenditure. Fortunately it is not necessary for me to detain the House on that, because His Excellency the Commander-in-Chief has dealt with it in his speech and we have now for the first time for six or seven years an Explanatory Memorandum on the Defence Estimates which gives the facts of the case, explains the considerations involved and enables Government for the first time for some time to place the majority of their cards on the table.

Less attention has been given during today's discussion than I had anticipated would be given to the question of post-war planning and development and the measures that we are taking to implement the plans that have been laid during the last year or two, because, to me, this is one of the directions most pregnant with the possibility of good and of advancement for this country in the future. Hon. Members are aware that we have provided in our Budget something like Rs. 99 crores for development purposes in the Provinces and at the Centre, capital and recurring.

[Sir Cyril Jones]

There have been in the past many allegations that our planning work was largely eye-wash and humbug. We now, Sir, are at the stage of benefiting by all the quiet and patient work that has been done in the past in that, when suddenly we were struck with the emergence of peace and the prospects of demobilisation and unemployment, we could quickly get under way in bringing into action plans for public expenditure in useful directions which would replace the war-time expenditure of past years. Our approach to the problem of planning, Sir, has been strictly practical. First, there has been the evolution of an all-India policy in the main directions such as health, agriculture, education, and so on. The bulk of actual planning proper has been done by the Provinces consistent with the all-India policy directives but based also on their special needs. These plans, produced by the Provinces, are subjected to review by the Central Government in the interests of co-ordination. Co-ordination is a continuous process and has been in progress ever since planning started. There is still plenty of co-ordination work to be done, but it is not true that the plans which we are now setting in motion merely consist of a collection of unconnected paper schemes. As regards industrial planning, the House knows that 28 Industrial Panels have been at work. They work quietly and unobtrusively, but they have now made considerable progress. Many of them have submitted their reports, others are just about to do so. Plans in respect of textiles, cement, vegetable ghee and sugar—I do not know if this list is exhaustive, but certainly in respect of these commodities —are now in the stage of actual implementation and others will shortly follow. The Budget provision we have made has been largely a shot in the dark. So far as what we call our interim plans are concerned, that is, those which are to be implemented and set in motion quickly to provide employment to fill the gap caused by the reduction of war-time expenditure, we have asked the Provinces to go ahead for all they are worth to the largest extent they can, subject only to general approval by the Centre, which is given as urgently and as freely as possible. If their requirements are more than the Budget provision we have made, there should be no difficulty in securing from the Legislature a corresponding increase in funds to avoid interruption to the work. But one thing I must mention, and that is, that all this work that we are doing, this planning and execution, requires staff, and shortage of personnel is most acute. That is the main bottleneck at the present time. It is not so much funds that constitute the bottleneck, or even capital goods, as staff. The staff difficulty is acute. We can neither plan nor execute nor administer without men. The administration burden these days is exceptionally heavy, and I would ask the House to bear this in mind when they speak of the failure of the Government to reduce their civil expenditure to anything like the pre-war level. We are doing what we can in reducing expenditure following the end of the war, and we started early, soon after the war finished. But the shortage of personnel is so acute that where we are able to reduce in one direction, the men thereby released are by and large required elsewhere, and our efforts at retrenchment and reduction are represented more by a transfer of men in accordance with present needs rather than in a direct reduction of expenditure.

Several Hon. Members, Sir, spoke about the Sterling Balances and the Dollar Pool. I do not think I need say much under the latter head because of the discussion which took place in this House only recently when I replied to the Resolution moved by the Hon. Mr. Motilal. There has been a tendency to question the figures which have been given in the Budget speech of India's earnings of hard currencies since the beginning of the war and India's utilisation of hard currency. Those figures, Sir, in their general picture admit of no question whatsoever. The chief agency in compiling them has been the Reserve Bank of India. As I explained to the House, the transactions are involved and complicated and we cannot guarantee our figures, nor can the Reserve Bank or His Majesty's Government or the Bank of England. We cannot guarantee our figures in detail. But there is no doubt whatsoever that the general picture that they give is reasonably correct and true. The point that it does bring out is that the sum involved in what we might call India's net contribution is comparatively small. I would explain to Hon. Members that these figures do not relate only to Dollar receipts and Dollar expenditure. That would not be fair because it would not be a true picture. The figures give the result of all India's

transactions in hard currencies. India's dealings with certain hard currency countries such as Sweden, Canada, Portugal and Switzerland is, I believe, consistently adverse, and has been adverse for some time ——

THE HON. MR. HOSSAIN IMAM : Is Canada in the sterling area or is it a hard currency ?

THE HON. SIR CYRIL JONES : Canada is not in the sterling area. Canada is in the Dollar area and the Canadian dollar is every whit as difficult as, if not more difficult than, the U S. A. dollar. The picture is undoubtedly correct in its essentials, although we could not possibly guarantee the figures on which it is based in detail. We have, however, so far as the Dollar Pool is concerned, a sure prospect of its liquidation within a reasonable time if the Anglo-American Agreement is ratified. If that Agreement is not ratified by America, I am afraid that dollars will remain as they are at present, acutely scarce. The Government of India regret the fall of dollar shortage as much as anybody in the country. It is however a matter which does not flow from British policy or from Indian policy ; it is conditioned largely by American policy. And so long as dollars remain scarce, I submit, Sir, that it is the essence of wisdom to see that such dollars as are available are used to the best advantage in the national interest : and that is the one and only reason why in respect of the import of capital goods we require indentors to satisfy us that the goods they require are not in fact available from the sterling area, because obviously if they are available from the sterling area, those dollars can be ut lised to better advantage by securing other goods from America or other hard currency countries which are not otherwise available.

My Hon. friend Pandit Kunzru referred to our Post-war Dollar Fund. The position is that the expenditure from and commitments incurred against the initial 20 million dollars now amount to approximately some 10 million dollars. About half of it is thus spent or earmarked. We hope to receive a further credit to the Fund for the year 1945. A credit in respect of the year 1944 was hardly settled by this time last year—although it was mentioned in the Budget speech, the actual earmarking of the dollars was made in May 1945. The position was that India would receive a second instalment into her Post-war Dollar Fund in respect of the year 1945 provided that the position of India's dollar transactions justified a further credit being made into the Dollar Pool from her net contribution of dollars to the Empire Pool in respect of the year 1945. We do not know yet quite how the position for last year has worked out, but the matter is now under correspondence with His Majesty's Government.

There was a reference made by two Hon. Members to the import duty on bullion, Sir. From the fact that only two Hon. Members referred to it I assume that it is not a matter of intense interest to the House as a whole. All that this duty was intended to be was a sort of machinery for an orderly and regulated return of Indian bullion prices to the world price level. That return, Sir, is bound to come sooner or later——

THE HON. SIR SHANTIDAS ASKURAN : If you can import.

THE HON. SIR CYRIL JONES ; Yes, if we can import. If we do not import, the duty will remain inoperative. If we can import, the duty has been fixed at a level so that at present prices there is a definite inducement to exporters in other countries and to importers in this country to bring bullion into the country. The inducement is reasonable but not excessive. If on account of imports prices fall, we can *pari passu* reduce the rate of import duty by successive notifications under the Sea Customs Act.

THE HON. MR. HOSSAIN IMAM ; Has the ban on import into India been removed ?

THE HON. SIR CYRIL JONES ; The licensing system has not been removed. There is no question of ban. When we see a prospect of imports coming into the country we shall do what we can to secure them.

THE HON. SIR SHANTIDAS ASKURAN : Is there any chance of any country exporting, and our importing, gold ?

THE HON. SIR CYRIL JONES : All I can say is that there is a possibility. But I could see very little possibility if the Government of India were to act as certain Hon. Members have suggested and try to buy gold at international prices for sale in India on Government of India account. I should think the chances of gold being obtainable for that purpose would be very small. But if we can import gold through private commercial channels with a definite inducement which can be shared between the importer and the exporter—a reasonable profit inducement—then it is possible that some might come, and it is to provide against that contingency that this duty has been imposed. It has been asserted that the imposition of this duty upset the markets. Everybody knows that the gold and silver markets are subject to speculative influences ; in fact they are run largely by speculators and it does not take very much to upset this highly sensitive market. The upset, I venture to suggest, that the Government might have caused has been minor in comparison with the stresses, strains and upsets to which the market has been subjected in the past by the operations of speculators or bulls. I might refer, for instance, to the fact that the price of bullion was driven up after the appearance of our Demonetisation Ordinance to the great profit of certain speculative bullion interests ; and I think it is correct to say that by and large those are the same interests which have now been adversely affected by the imposition of this duty. But the ultimate objective of our proposal is to open the way and clear the path to a reduction in bullion prices, which, in view of their reactions on the general price level, is, I would suggest, in the interests of this country, and particularly of the people who are affected by the level of prices of essential commodities.

My time is nearly up, but I would like to refer to the speech made by the Hon. Sir Gopalaswami Ayyangar, a friend of mine of many years standing. His speech was as stimulating as ever and to me as interesting as ever, although I find myself still under the painful necessity of having to disagree with much that he said. The time might possibly come when I shall have the privilege for the second time in my career of working under a responsible Finance Minister ; and it is quite on the cards, I suppose, that that responsible Finance Minister might be the Hon. Sir Gopalaswami Ayyangar, in which case my advice to him will be just the same, although in that case the decision would rest with him. At present I must confess to disagreement on most of the points that he raised. He considered it improper to show in the revenue account an appropriation for reduction or avoidance of debt at a time when the revenue budget was working at a deficit. That, Sir, seems to me to be the essence of sound public accounting where the public debt contains a substantial unproductive element. A provision for amortization should appear in the revenue accounts even if you do not realise it and have to borrow to cover it. That debit in the revenue account is carried as a credit in the capital account, and indicates the intention or the ideal of converting so much unproductive debt during the course of the year into productive debt ; and even if your revenue account is running into a deficit, one should not camouflage the size of the revenue deficit by omitting provision which is necessary and proper and which should be made for the amortization of such unproductive debt as the country is carrying. Sir Gopalaswami Ayyangar mentioned a number of devices by which the revenue deficit might be turned into a substantial surplus. He would show as current revenue abnormal war-time revenue such as Excess Profits Tax receipts (which will last us only one more year and then will come to an end or be reduced to a mere driblet) but he would transfer abnormal war-time expenditure to the capital head. I suggest, Sir, that such a procedure would not be sound accounting, and that it is just as right and proper that abnormal war-time expenditure should be debited to revenue as that abnormal war-time revenue should be credited to the revenue account. The Hon. Member probably has noticed that we are trying to break away from the rather conservative finance of the past, and the 35 crores which we are giving by way of grants to the Provinces is being debited to the capital account, for the reason mainly that the expenditure will result in the creation of useful assets although those assets will belong to the Provinces and not to the Centre ; but I would further suggest that the devolution of income-tax revenue to the Provinces must necessarily appear in the revenue account and that

the additional 12¾ crores could not possibly be shown in the capital account. It is a revenue charge, a payment out of Government revenues which according to the Constitution are not even Central revenues at all.

THE HON. SIR N. GOPALASWAMI AYYANGAR : May I point out that probably the Hon. Member misapprehended what I said about the 12¾ crores ? I did not say that they ought to be shown as a debit in the revenue account. What I did say was that there was no necessity, there was nothing which compelled the Government of India, to make a present of these 12¾ crores to the Provinces when they were themselves in deficit by amalgamating the surcharge with the basic income-tax.

THE HON. SIR CYRIL JONES : I thank the Hon. Member for his correction. On that point I did misunderstand him. I can explain in a sentence the reason for this further devolution of income-tax to the Provinces, although many of them are favourably placed financially. The reason is that we want to urge and stimulate the Provinces to bolder planning and to get on with development work, whereas the tendency in the Provinces with which I can sympathise, having been a provincial Finance Secretary myself, is always to look to the recurring commitments and to be over-cautious in sanctioning new schemes. In our view, over-conservative finance is out of place in present conditions, and this devolution of a further 12¾ of recurring revenue to the Provinces, is extended to stimulate them to bolder planning by increasing their recurring resources by that amount. It is a fact, Sir, that provincial revenues are somewhat straitened, though nothing like so inelastic as it has been customary to describe them ; but they are on the meagre side compared with the vast responsibilities of the Provinces, particularly for the developments of social services. The Government of India Act itself provides a way of meeting this state of affairs by a devolution of excise duties, by giving the Provinces the proceeds of death duties and so on. But this particular method is already in use, and the Government deemed it fit and proper to expand provincial receipts by merging the income-tax surcharges with the basic rates so as to increase provincial revenues for post-war development purposes.

THE HON. MR. HOSSAIN IMAM : A welcome change.

THE HON. SIR CYRIL JONES : The Hon. Member also referred for the second time to the credit of advance payments of income-tax to a suspense head. Whether the scheme of advance payments of income-tax should be made permanent or should be abandoned is, I think, essentially a matter for the future Government which will assume the reins of office, it may well be, before the next Budget season ; but until that decision is made, until a firm decision is taken to make pay-as-you-earn a permanent feature of income-tax law and practice, we have no option but to treat these as advance payments—as in fact they are—and to take them to the credit of the suspense head until they are ultimately credited to revenue when the assessments fall due under the ordinary income-tax law.

I think I need not detain the House any longer. The hour is now late. In my view, this Budget marks a real beginning of planned development and development on a sure and sound financial basis. It shows that the national finances have been husbanded in spite of difficulties and strains and that they are essentially sound. The Taxation Enquiry Committee which will follow shortly should help to put the raising of adequate revenues on a scientific basis by sound methods, but until that is done the Government have tried to maintain an adequate and broad-based revenue system which can be built upon and expanded as development requirements demand. Meanwhile, we have concentrated on so designing and utilising our revenue as to encourage industrial and business activity, to promote employment and, by so doing, to contribute to the solution of the problem of poverty which, as the Hon. the Finance Member mentioned at the outset and at the close of his Budget speech, is, in his view, the first objective of Governmental policy in present conditions.

THE HON. MR. M. THIRUMALA ROW: I want to make a suggestion, Sir. Three new elected members have not spoken and they are keen on having their say. I would request you, Sir, to give them, say, 10 minutes each and to prolong the sitting till they have finished.

THE HON. THE PRESIDENT: I was going to suggest that I would give them a chance to speak on the Finance Bill. However, if they are anxious to have their say now I will give them 10 minutes each.

(At this stage the Hon. Mr. Surput Singh rose to speak.)

THE HON. THE PRESIDENT: I think Mr. Surput Singh has already spoken for more than 10 minutes.

THE HON. MR. M. THIRUMALA ROW: No, Sir, he has not spoken at all today. He is one of the new members who would like to speak.

THE HON. THE PRESIDENT: But then the Hon. Member must not take it for granted that each and every member of the Council should speak on the Budget. There must be some limit when the President is bound to close the debate.

THE HON. MR. M. THIRUMALA ROW: This is a special request, Sir. I hope you will show some indulgence to these newly elected members.

THE HON. THE PRESIDENT: Very well. Please try to be brief.

THE HON. MR. SURPUT SINGH (West Bengal: Non-Muhammadan): Sir having come to this Council at the fag-end of its existence, I feel naturally somewhat diffident to enter into a detailed discussion of the General Budget. Besides the time for a thorough study of this difficult subject has been much too short to enable me to do proper justice to it. But conscious as I am of my own limitations, I shall content myself with a few general observations on such important matters as have come to my mind. But before I do so, I shall be failing in my duty if I do not thank the Hon. the Finance Member for his Budget manifesting imagination, foresight and grasp of the political and financial situation.

Sir, coming as I do from that luckless province of Bengal, I must say that the subvention grant of Rs. 8 crores is quite insignificant for her plentiful needs. Ravaged by terrible natural calamities, devastated by disastrous famine, swept by epidemics, without any drugs or medicines, coupled with relentless mass evacuation of villages and mass deprivation of boats and other properties in numerous places by injudicious and over-zealous British civil and military authorities, in pursuance of a denial policy, the ills to which my province has been subjected, by both man and nature, are too numerous and of a festering kind. A veritable change in the physical and geological conditions of the Province has been brought about by the creation of as many as 69 airfields by wholesale destruction of big and valuable trees and by thoughtless levelling up and down of the earth's surface, numberless military roads and embankments and other fixtures, here, there and everywhere, contributing not a little to those ominous physical changes. Then, Sir, the financial resources of the Calcutta Corporation and other municipal bodies and district boards in Bengal have also been most disastrously affected by military camps and movements operating within their jurisdictions without making adequate contributions to those bodies. Then, the Bengal Government, in order to curry favour with the Central Government, have gone on adding taxation after taxation during the years of the war, while the self-governing institutions have only followed the example of their Government. The picture presented is, no doubt, dark and dismal, but such is the real picture. A generous and special treatment of my war-torn, distracted and distressed Province was thus so much needed at the hands of the Central Government. Even if the population basis had been adhered to, Bengal would be entitled to more. I can now hope that when the Australian Federal system of grants comes into vogue, Bengal will not be let down so meanly and meagrely in return for all her manifold sacrifices and privations she has undergone for the winning of the war and the unjust Meston Award will be scrapped altogether.

Sir, the redeeming features of the new proposals in the Budget are, to my mind, pleasing to the industrialists, capitalists and professional people, who undoubtedly needed some relief and consideration after the war. But the proposals distinctly leave out of consideration the common man. Poverty, for which the Hon. the Finance Member has shed so much tears—if they are not crocodile tears—should have received some consideration in his new proposals. Surcharges of all kinds, both Central and Provincial, which are sitting as nightmares over the masses, should have been lifted altogether. The duty on tobacco, the poor man's comfort and relaxation, should also have been withdrawn, as also the duties on salt, sugar and match boxes. The proposed duty on imported betelnut will hit indirectly the poor man.

Sir, I whole-heartedly welcome the proposal to set up a Taxation Enquiry Committee at an early date. The present taxation structure has, in all conscience, become quite outworn in relation to the prevailing financial world situation and trends of thought. It is heartening, therefore, that not only the Central but also the Provincial and Local Bodies' taxation structures will figure in the overhauling enquiry by a representative Taxation Enquiry Committee. The taxations in some of the provinces, specially those in Bengal, have become a duplication of the Central, the Local Bodies imitating their Government in their operations. A vicious circle is verily present in the entire taxation structure of that Province and that should be removed anon ; otherwise the people, driven to desperation, may any day resort to something like a "no-tax campaign". The present united protest against the increase in the sales tax of the Bengal shopkeepers, as marked by the entire closing of their business for well nigh a fortnight, ought to be an eye-opener to all tax-imposing authorities.

Sir, I must point out that the subsidised housing scheme should have first started its operations in those areas from where the inhabitants have been dehoused wholesale as done in numerous places in Bengal on the plea of war, and not in New Delhi and the Punjab, which have least been affected by forcible requisitioning and mass evacuation operations of the military.

Sir, it is quite a sagacious move on the part of the Hon. the Finance Member that he has bestowed his timely attention on the deflationary tendencies that threaten to bring in widespread depression and unemployment, while not ignoring the consequences of the uncommon inflation—that concealed taxation—forced by the conditions of the war. Sagacity really is needed for guarding against the untoward results of both the factors.

The House, and for the matter of that the whole country, feel greatly happy over the announcements regarding India's sterling balances and the Dollar pool, about which so much misconception and misunderstanding had prevailed. We only look eagerly forward to the day when we shall come by our own dues and the day for such settlement, I am sure, will not be deferred too long.

Sir, the drop in the military expenditure, however small it may be, is just a welcome sign of the hour and will be such a great relief to the country, so much financially distracted by war operations of the last five years. Again, when in the near future India is also freed from the financial settlement with His Majesty's Government, we shall feel all the more freed from a great burden as we feel we have not been treated quite judiciously in that financial arrangement. The proposals for a National Investment Fund and a National Finance Corporation for planned economic growth of the country are quite reassuring.

Sir, in numerous instances our country has been committed to proposals and given undertakings without our knowledge and consent as done in the case of Bretton Woods Agreement. In such cases, it is needless to say, our country has felt itself quite let down, as every self-respecting country with growing national consciousness is bound to be. It is natural, therefore, that in the future scheme of things we shall disown all such back-door obligations that may come to our knowledge.

Sir, the statements and declarations that have from time to time been made by the Food Chiefs of the Central Government have in the ultimate analysis been found to be clear claptrap, not borne out by subsequent facts and figures, because they have put trust in luck and drift so much. The customs figures have disastrously belied

[Mr. Surput Singh]

their declarations as exports of foodgrains have gone on when they have assured us to the contrary. There has been awful bungling everywhere of the food problems. But it is really a matter of the greatest surprise that when tons and tons of foodgrains have been wilfully and negligently wasted and destroyed, despite prevalence of terrible scarcity conditions, none of the officials responsible has been punished. Forsooth the country is getting sick of the corrupt, inefficient, irregular and cruel control measures. It is high time, therefore, that the whole policy regarding controls is modified and regularised. It cannot but be an evil omen that when the war is over and things are coming to normal conditions, the war-time restrictions and controls will be still continuing in this country.

Sir, I must congratulate the Hon. the Finance Member on his very many ambitious projects regarding post-war planning. If successfully carried into execution those projects promise to bring in the millennium for this country. While I am not concerned so much with what is done or achieved by the contemplated projects, what I would insist on is that students who are sent abroad for training should be given a guarantee to be provided with jobs suitable to their qualifications directly on their return. They should not be treated in the way the Bevin boys are now being treated. Then, among the technically trained students there should not arise any question of communal ration in the matter of employment. Merit and efficiency should be the only tests for service. I must say, by way of warning, that the Central Electric Power and the Central Irrigation and Waterways Board must not be made to operate depending upon any contemplated or expected Provincial cess, inasmuch as some of the provinces are already overburdened with all manner of local taxations.

Sir, in the midst of our dark and dismal surroundings the national health improvement proposals of the Bhore Committee are to be accorded our heartiest welcome. Malaria, cholera and small-pox ravages which have been taking untold millions year by year in both Bengal and Bihar because state medical relief has been so meagre and sporadic, must be controlled and stopped. We cannot any longer allow our people to die like rats and flies from epidemics. Immediate adoption and working according to lines indicated should forthwith be commenced.

Sir, my great regret is that the Finance Member has not given us any outline of his Government's future food and textile programmes. Sir, in an admittedly agricultural country like that of ours, where for want of food, people are ever under nourished and for want of cloth have to go almost naked, it is really a great reflection on the administration of the Government that nothing has been done or is yet being done to bring under cultivation culturable fallow and open lands, which will be millions and millions of acres either to grow food crops or for the purpose of cotton cultivation. I hope therefore for the most essential needs of the country this matter will engage the attention of the Government before all others forthwith. Grow more food campaign only will not solve our dire present difficulty. There have been some suggestions that my Province of Bengal should not be spoon-fed. According to that most inequitable financing arrangement brought about by the present constitution which goes by the Meston Award, Bengal is afforded very little for her various needs. She has up till the beginning of the war done without any spoon-feeding through her multiple taxation measures. But the war conditions—Burma and the Far East—being so near have occasioned such dismal in roads upon her financial resources that she has come to this plight. But she is prepared to do without any outside help if the unjust Meston Award is done away with and she is permitted to utilise all that she earns.

Next, Sir, our Bengal irrigation scheme has been commented upon as being dangerous by Hon. Member of this House, I can only say that will not be so as Bengal is not wanting in engineering and mining experts who will be able to tackle the problem better. The cloth distribution scheme at present prevailing in the Provinces of Bengal and Bihar cannot but be condemned in the most scathing terms. What is really wrong with the system is not easily accounted for In the urban areas where people need particular sort of textiles they do not get them ; while in the rural areas people are forced to take those stuffs which they do not like. This state of affairs has, therefore, become quite disgusting. Again, people have been forcibly subjected to such ways and means in their procurement of cloth that they have become quite intolerable.

One point more and I conclude. Sir, it is not quite in the fitness of things, but rather out of tune with the times and temper of the people, those Victory Day celebrations which are on. When the Province, nay the whole country, is in the very grip of a famine of food and cloth, and there is a distinct deficit in the Budget, it ill becomes the Government to get the people to participate in the enjoyment of festivities. The Central Government would have shown both grace and imagination if, in place of the celebrations, they had given doles of food and cloth to the famished and naked, or had banked the amount proposed to be spent on them to insure against unemployment that is soon to come. Prohibition of cereals exports to Ceylon and ban on food parcels to the United Kingdom are, therefore, only small good gestures of the hour. Sir, the Government of India must not be fiddling while India is burning.

The Council then adjourned till Eleven of the Clock on Monday, the 11th March, 1946.

COUNCIL OF STATE

Monday, 11th March 1946

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

MEMBERS SWORN

The Hon. Sir Jwala Prasad Srivastava (Food Member).

The Hon. Mr. Ambrose Dundas Flux Dundas (War Secretary

QUESTIONS AND ANSWERS

VEGETABLE GHEE

116. THE HON. RAJA YUVERAJ DUTTA SINGH : (*a*) Is it a fact that Government are planning to increase the production of vegetable ghee in India by about one lakh tons in 1945-46, and for this purpose they propose to establish about 20 new factories distributed all over the country ?

(*b*) Are Government aware that the use of vegetable ghee for food is generally regarded as injurious to health and do they propose to obtain expert medical opinion in this matter ? If they have obtained such opinion, will they place the result on the table ?

(*c*) Do they propose to introduce some method of colourization of vegetable ghee, so as to distinguish it from the pure cows or buffalo's ghee, to save the public from being cheated ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : (*a*) It is a fact that Government are planning to increase the production of vegetable product (Vanaspati) in India. Twenty-seven parties are being assisted to put up factories. This would increase the production capacity of Vanaspati by 154,500 tons, of which a small proportion should be available for consumption in 1946 according as plants are imported and set up.

(*b*) Government are advised that there is no evidence to show that the use of vegetable product (Vanaspati) is injurious to health. Government have already obtained competent medical opinion, which is to the effect that Vanaspati is a wholesome food. The views of the Public Health Commissioner, the Director of the Nutrition Research Laboratories, and the Chief Technical Officer of the Food Department, are placed on the table.

(*c*) Government do not propose to introduce colourization of Vanaspati, as they have received competent advice that this in fact is at present impracticable and will discriminate against Vanaspati without preventing its use as an adulterant. Government are actively considering the proposal to make the addition of sesame oil compulsory with a view to detect adulteration of ghee by Vanaspati. This proposal has been accepted by the industry and details are being worked out by experts.

THE HON. M. THIRUMALA ROW : With regard to (*a*), have Government got any further proposals, in addition to the 27 parties to whom they have already issued licences, to give some more licences for starting some more factories ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : There is a committee sitting just now examining the long range aspect of the question. If this Committee recommends that more licences should be given Government will consider that.

THE HON. MR. M. THIRUMALA ROW : Has the Committee submitted its report, Sir ?

NOTE.—Questions in the name of the Hon. Raja Yuveraj Dutta Singh were put by the Hon. Rai Bahadur Sri Narain Mahtha,

THE HON. SIR JWALA PRASAD SRIVASTAVA: No, I have not seen the report yet.

THE HON. MR. M. THIRUMALA ROW: How long will it take for the committee to send its report?

THE HON. SIR JWALA PRASAD SRIVASTAVA: Committees have their own way of doing things. It is a predominantly non-official committee. I will remind them if the House wishes. But I have no t yet seen the report.

THE HON. MR. M. THIRUMALA ROW: Will the Hon. Member see to it that the report of the committee is published or made available to the members of the public?

THE HON. SIR JWALA PRASAD SRIVASTAVA: Yes, certainly.

THE HON. MR. HOSSAIN IMAM: May we know why so small part of the production will be available in the year 1946-47?

THE HON. SIR JWALA PRASAD SRIVASTAVA: Because of the difficulty of importing plant.

THE HON. MR. HOSSAIN IMAM: Is it a fact that applications and notings were ready about a year and two months back, but their disposal was held up by the Hon. Member himself?

THE HON. SIR JWALA PRASAD SRIVASTAVA: I deny that allegation.

THE HON. MR. HOSSAIN IMAM: When was the matter placed before the Hon. Member and when was it disposed of?

THE HON. SIR JWALA PRASAD SRIVASTAVA: I am afraid my memory cannot carry me back.

THE HON. MR. M. THIRUMALA ROW: Are Government making any attempts to see that the machinery required for the manufacture of this vegetable ghee is fabricated or manufactured only in India?

THE HON. SIR JWALA PRASAD SRIVASTAVA: No, Sir. Some machinery is now being fabricated in India; but I understand that there are certain items of machinery which must be imported.

THE HON. MR. M. THIRUMALA ROW: Are Government making any attempt to see that engineering firms in India will be able to manufacture these parts for which we rely entirely on foreign import?

THE HON. SIR JWALA PRASAD SRIVASTAVA: Yes, Sir. The parties to whom licences have been granted are seeing to it themselves. They want to get as much of the machinery in India as they can.

THE HON. MR. M. THIRUMALA ROW: Will the Hon. Member's Department see to it that they make some attempt to see that——

THE HON. THE PRESIDENT: That is not a question.

THE HON. MR. HOSSAIN IMAM: Will the Hon. Member give some indication about the time when he gave promise?

THE HON. SIR JWALA PRASAD SRIVASTAVA: As far as I can remember it is now about six months.

THE HON. MR. HOSSAIN IMAM: After the Simla Conference?

THE HON. SIR JWALA PRASAD SRIVASTAVA: I do not connect the two. It may be after or before the Conference. I would not like to connect the two.

Views of Lt.-Col. C. A. Bozman, I.M.S., Additional Public Health Commissioner with the Government of India.

In my view there is undoubtedly room for ghee, vanaspati and dehydrogenated vegetable oil in order to provide fats and oil. I doubt if a scheme to increase production and consumption of vanaspati would result in any marked diminished consumption of ghee. I think it is reasonable to assume that the latter will always be bought and used where it is available and people have the money. Should ghee production fall off it might mean that the milk used for this purpose would be used instead as an article of diet, but I admit that this is pure speculation.

Note on the nutrative value of vanaspati and animal ghee

By Dr. W. R. Ayroyd, Director of Nutrition Research in India. (His note dated 18th July 1944—on pages 12-18 of file No. V/1).

(1) The struggle—animal ghee versus vanaspati—has been raging in India for years and during its course nutrition workers have frequently been appealed to for a judgment on the nutritive value of the two products. In Coonoor I receive a query on this subject about once a month.

(2) Pure cow's ghee is a good source of Vitamin A, a good sample being just a little inferior to English butter in this respect. Vanasparti, on the other hand, contains no Vitamin A. Some Brands are advertised as "containing vitamins", or something of the sort. This means that a little pure Vitamin D (calciferol) has been added, an addition which, in my opinion, is of little nutritional significance. Vitamin A has never been added to vanaspati, as to margarine in England. Concentrates of Vitamin A are made from fish liver oils and India customers would object to this supplement. Vitamin A is also available in the form of the vegetable product carotens (pro-Vitamin A). Margarine supplied to the British army in India is fortified by carotene. The question of fortifying in a similar manner vanaspati supplied to Indian troops has been carefully considered. It was found, however, that the carotene supplement was readily destroyed when vanaspati was used for cooking and it was concluded that fortification was not worth while.

At the present time, therefore, the fortification of vanaspati by vitamin A does not appear very feasible. A supplement of vitamin D presents no difficulty, but in most parts of India the population obtains sufficient vitamin D through the action of sunlight on the skin.

(3) It has been remarked that pure cow's ghee is a good source of Vitamin A. On the other hand, buffalo ghee is a considerably poorer source. Much ghee produced in India is a blend of buffalo and cow ghee or buffalo ghee alone. The Vitamin A content of ghee fluctuates according to the season of the year, the bread and feed of the animal, etc. A high percentage of ghee as sold is adulterated. In a recent investigation in Coonoor, the Vitamin A content of a number of samples was determined. Samples obtained directly from government agricultural farms were in general satisfactory, but the value of samples bought at random on the open market was usually low. A number of samples tested were, in fact, devoid of Vitamin A and the great majority were poor sources.

If, then, we compare ghee as actually sold and consumed with vanaspati in respect of vitamin A content, it cannot be claimed that such ghee has any remarkable advantage over vanaspati.

(4) The question has often been raised whether milk fat, *qua* fat, is superior to vegetable fats in human nutrition. Much experimental work has been carried out on the subject, with inconclusive results. It is clear, however, that vegetable fat, whether hydrogenated or not, can be satisfactorily utilised by human beings and that any advantages possessed by milk fat as fat cannot be of serious importance.

(5) Vanaspati is wholesome food and there is no objection, from the nutritional standpoint to an increase in its consumption. Indian diets are in general low in fat. I agree that its consumption should not be increased at the expense of that of ghee. The quality of ghee could be improved by development in animal husbandry, by the improved feeding of cattle, and the enforcement of adulteration acts. Since the production and consumption of fats in India are low, there is room for both products.

(6) Groundnuts versus cereals. I cannot say offhand what the calorie yield of a given area devoted to cereals and groundnuts respectively would be. My impression is that more calories (in the form of fat, which yields more than double the calories per unit of weight yielded by carbohydrate) would be obtained from groundnut. Groundnut also yields cattle food in the form of cake. Taking the country as a whole the replacement in the diet of, let us say, 2 ozs. of cereals by ½ oz. of fat would be on the whole of a thing and in line with the recommendations of nutrition workers.

Remarks made by Dr. B. C. Guha before the Food Advisory Council on 15-9-44

I think that Sir Datar Singh's observations are worthy of consideration. The question of the expansion of the vanaspati industry is bound up with the question of providing good edible fats to the country in general. The fact is that ghee is not yet within the means of all the people of India. They wish to have rightly, or wrongly, a fat which looks more or less like ghee and has a flavour resembling that of ghee and which they can use for ordinary cooking.

The first question raised by Sir Datar Singh is whether vanaspati has any nutritional value. The second question is that of adulteration of ghee with vanaspati. It is indeed a fact that adulteration is extensively practised in India.

As regards the nutritional question, if the melting point of a fat is too high, it becomes less easily digestible. The fat should melt at body temperature('37°C), so that it may be easily emulsified and digested. It is therefore very desirable that, when you produce hydrogenated vegetable oils for consumption the melting point limit should be fixed. In the Army specification they have the limit at 41°C. We think that the upper limit should preferably be 38°C. for all vanaspati It has been established in America that margarine (which contains hydrogenated oil) is almost as easily assimilated as butter fat. Hydrogenation should not be carried too far. That is the important point. If that is looked after, vanaspati has good nutritive value and it fills a distinct need. Fats are mainly energy giving foods. As regards comparative nutritional value of different kinds of fat, I must say that it is still a largely unsolved problem. Considerable work has been done in America and other countries and I have seen various reports on this subject, some of which are almost contradictory to each other. The subject is a difficult one and no clear and unequivocal have yet been arrived at. On the whole it may be said that oils, hydrogenated or otherwise are digested pretty well, provided the melting point is not too high. Further investigation should be carried out on the comparatilve nutritional value of different edible oils and fats and I hope that it will be undertaken in different research institutions in the country.

Sir Datar Singh :

Do you mean to say you have no data now ?

Dr. Guha :

I say that the data available now do not help us to come to clear cut conclusions. Butter fat and ghee contains Vitamins A. D. and E to some extent. Hydrogenated oil may contain a little Vitamin E hardly any vitamin D and no Vitamin A. If a man can get more pure ghee so much the better but the position is that you cannot get butterbut ghee in the quantity required. Although vanaspati does not contain vitamins, it should not be said on the present evidence that vanaspati has no nutritive value or is definitely injurious. The Technical Panel of the Food Department has, however, recommended that all edible oils and fats, including vanaspati should be fortified with vitamins A, D and E and since vitamin A is destroyed on strongly heating the oil it was suggested that fortified fats should be used for such cooking as would not involve frying....

Vitamin E helps the utilisation of Vitamin A and is also a protective against the development of rancidity. The Food Standards Committee of the Education, Health and Lands Department discussed at fair length the whole question of colouring vanaspati with different dyes and they have come to the conclusion, which I think is generally justified, that these colouring matters are not really a good protection. Many of them can be made to disappear simply by aeration ; some of them can be removed by simple absorption on fuller's earth. So, what is the good of colouring vanaspati, if an unscrupulous man can remove the colour fairly easily ?

Secondly we have also to consider the people's reaction to vanaspati which is coloured deep red. If we do want vanaspati to be coloured deeply. It would probably not be linked by quite a large number of consumers.

The next point is what else can we do ? We must take technical steps by which we can stop this adulteration or at least minimise it as far as possible. The use of seasamum oil has been recommended. Even if 1 per cent. of this oil is incorporated in vanaspati it may be possible to detect it in ghee adulterated with vanaspati by a simple colour reaction. It has been found that the colour reaction still persists even if further hydrogenation is carried out but this is a point which requires further investigation. I should think on the present evidence that that is the best way of stopping the adulteration of ghee with vanaspati. It is desirable that this and similar technical matters should also be considered by industrialists concerned, who may have some views on it.

DETERIORATION OF ATTA.

117. THE HON. RAJA YUVERAJ DUTTA SINGH : Is it a fact that the local Civil Supplies Department, Faridpur, Bengal, notified to the public a few months ago to take free distribution of about 3,000 maunds of rotten atta, which was lying in godowns and awaiting destruction under Government orders ; and the atta should be utilized for the feeding of fishes only, which must be done in the presence of some responsible officer of the Department. If so, will Government state why the atta was allowed to deteriorate and not given to the people to save human life ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : The answer to the first part of the question is in the affirmative.

The quantity mentioned by the Hon. Member represented part of direct despatches of wheat products from the Punjab in 1943. This was sent to Faridpur at a time when there was an acute shortage of foodgrains in the district. Subsequently rice supplies were reasonably adequate with the result that Government could not force the consumption of atta which is not a staple food of the people of Bengal and the stuff consequently deteriorated. Deterioration could not be prevented also because arrangements for prolonged storage did not exist in the Province at that time and the life of atta is limited.

THE HON. RAI BAHADUR SRI NARAIN MAHTHA : Why could not Government carry the atta not required by Bengal to other Provinces instead of leaving it to deteriorate in Bengal for want of people willing to consume it ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : Well, Sir, it was very difficult to know at what stage it was not required. The atta was at one time wanted and very badly wanted and it was not wise to take it away from Faridpur which was starving at the time, although subsequently rice supply became available.

THE HON. SIR SHANTIDAS ASKURAN : What was the total amount of atta which had to be destroyed owing to storage for a longer time than necessary ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : Where ?

THE HON. SIR SHANTIDAS ASKURAN : In every part of the country.

THE HON. SIR JWALA PRASAD SRIVASTAVA : I want notice of that question, Sir.

OFFER OF RICE FROM MALAYA AND BURMA.

118. THE HON. RAJA YUVERAJ DUTTA SINGH : Is it a fact that Sriyut Subhas Chandra Bose made an offer, directly or indirectly, of one lakh tons of rice from Burma and Malaya for relief of the Bengal famine in 1943, but the offer was not accepted by Government? Will Government give the full facts and state why the offer was declined ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : The attention of the Hon. Member is invited to the answer given to the Hon. Mr. Hossain Imam's question No. 63 on 21st February 1944.

APPOINTMENT OF MR. KIRBY, RATIONING EXPERT.

119. THE HON. MR. SARPUT SINGH: Will Government state :—

(*a*) Whether Mr. Kirby, the Rationing Expert from Home, on special duty with the Government of India, has recently engaged himself in some duties different from his original work ; if so, the nature of those duties ?

(*b*) The reason or reasons for which Mr. Kirby has been selected for those duties?

(*c*) Whether the publication "Feeding the Worker" brought out recently by the Government of India has anything to do with Mr. Kirby ?

(*d*) What purpose or purposes that particular publication is calculated to achieve ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : (*a*) Reply to the first part is in the negative.

The second part does not arise.

(*b*) Does not arise.

(*c*) Mr. Kirby is responsible for the quarterly publication *Canteen in Industry—Feeding the Worker*, which is a joint publication of the Departments of Food and Labour.

NOTE.—Questions in the name of the Hon. Mr. Surput Singh were put by the Hon. Mr. M. Thirumala Row.

(*d*) The purpose of this publication is to bring home to employers of labour advantages of starting canteens for feeding their workers with well-balanced and inexpensive mid-day meals.

THE HON. MR. HOSSAIN IMAM : Has the Government succeeded in establishing this kind of canteens in a large number of places ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : Quite a number have been established. A good start has been made.

THE HON. MR. HOSSAIN IMAM : Which is the most fortunate Province : Calcutta or Bombay ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : I would not like to make such distinctions, invidious they may be.

RATIONING OF MUSTARD OIL AND KEROSENE

120. THE HON. MR. SURPUT SINGH : Will Government state :—

(*a*) Whether mustard oil and kerosene oil were contemplated to be included among rationed commodities from the very outset of rationing in Calcutta ?

(*b*) If so, what prevented those articles from being so included then ?

(*c*) What considerations have led the Calcutta Civil Supply authorities to have those articles brought under rationing now ?

(*d*) Whether it is a fact that the railway freight for a maund of mustard seed and an equal quantity of mustard oil is the same between stations U. P. and Howrah ?

(*e*) If so (i) the justification for such a uniform rate, (ii) whether such rate has not placed the Calcutta producers at a considerable disadvantage ?

(*f*) Whether Calcutta oil mills owners have not made representations to the Civil Supply Authorities about the inequity which has been brought about in the Calcutta trade by throwing open the entire supply to U. P. oil mills ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : (*a*) No.

(*b*) Does not arise.

(*c*) Distribution on any basis other than overall rationing was found by experience to be unsatisfactory.

(*d*) No.

(*e*) Does not arise.

(*f*) Yes, representations were made by the Bengal Oil Mills Association but the facts showed that no inequity to them was involved in the arrangements made by the Bengal Government.

THE HON. MR. HOSSAIN IMAM : Will the Hon. Member state why they have not represented to the Railway Board to reduce freight on mustard seeds ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : Sir, I submit, that this does not arise out of this question.

THE HON. MR. HOSSAIN IMAM : It does arise out of (*d*), which enquires whether it is a fact that the railway freight for a maund of mustard seed and an equal quantity of mustard oil is the same between U.P. and Howrah.

THE HON. SIR JWALA PRASAD SRIVASTAVA : I do not know whether representation has or has not been made. I could not say.

THE HON. MR. HOSSAIN IMAM : I mean, as the Food Member cannot the Hon. Member say that this inequity should cease ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : The matter must have been gone into. I could not say definitely without notice.

I. N. A. Officers

121. The Hon. RAJA YUVERAJ DUTTA SINGH: Will Government enquire and state whether it is a fact that after the Japanese had evacuated Rangoon in April, 1945, it was the I.N.A. who kept order in the Burmese capital till such time as the British arrived and when the British arrived, the I.N.A. officers surrendered on the understanding that they would be treated as Prisoners of War? Will Government make a statement in this connection?

The Hon. Mr. A. D. F. DUNDAS: Before the Japanese left Rangoon they had made the so-called I.N.A. responsible for the internal security of Rangoon. During the two or three days between the departure of the Japanese and the arrival of allied troops, the I.N.A. carried on this work in consultation with the so-called Burma National Army. One detachment continued its security duties for a few days under the orders of the allied commander. No assurance was given to the officers of the I.N.A. that they would be treated as prisoners of war, although they have in fact received the same treatment as prisoners of war as regards food, accommodation, clothing, and so on. Only one officer asked that they should be given the status of prisoners of war and the request was categorically refused by the Deputy Military Governor of Rangoon who replied that they were regarded as suspects awaiting interrogation.

Payment of Taxes, etc., by Military Authorities

122. The Hon. Mr. SURPUT SINGH: Will Government state:—

(*a*) Whether there is unusual pressure on the resources of all municipal bodies in and about Calcutta by reason of the military occupation of the properties and abnormal use of water, roads, thorough fares and open lands by them?

(*b*) If so, whether usual rates and taxes have been regularly paid by the military authorities to the Calcutta Corporation and the different municipalities under whose municipal jurisdiction houses, buildings, open lands and gardens have been occupied by the military personnel within a redius of 25 miles of Calcutta?

(*c*) The total amount of rates and taxes which has been paid to the Calcutta Corporation by the military during the entire period of the war for the use of the properties owned by the Corporation of Calcutta and private individuals as also of public bodies?

(*d*) The total amount in rates and taxes which has been paid to the suburban municipalities on behalf of the military for the use and occupation of similar properties within their jurisdiction?

(*e*) Whether any amount or amounts have been sanctioned by the Central Government for the rehabilitation of the municipal bodies whose resources have been affected by the military use and occupation of lands and properties within their jurisdiction?

(*f*) Whether the Calcutta Corporation has represented to the Central Government for a grant to make good and repair the roads, drains, etc., damaged and affected by their abnormal use by the military for over six years?

The Hon. Mr. A. D. F. DUNDAS; (*a*) It is correct to say that as a result of the increase on the number of military personnel in Calcutta area an additional load was thrown on the Municipal Services of the City Corporation and local Municipal bodies.

(*b*) Rates and Taxes remain the liability of the owners but the rent or recurring compensation payable by the military authority to the owners includes and element to cover this liability. The rates and taxes are thus paid by the military indirectly.

(*c*) and (*d*). It is not possible to state the total amount of rates and taxes paid in directly to the Calcutta Corporation or the Suburban Municipalities as no records are available showing the assessments of the many properties requisitioned.

A sum of Rs. 7,200 is being paid annualy direct to the Calcutta Corporation by the military authorities in two special cases on account of rates and taxes.

(*e*) Financial assistance has been given by the centre to certain municipal bodies towards the cost of improvement and maintenance of roads within their jurisdiction damaged by military traffic upon specific requests received from such bodies for assistance.

(*f*) No, Sir.

THE HON. MR. HOSSAIN IMAM : Could the Hon. Member lay a copy of the minutes of the Municipal Corporation meeting as a result of which the amount is being paid to them ?

THE HON. MR. A. D. F. DUNDAS ; I could lay them on the table, if required, Sir.

THE HON. MR. M. THIRUMALA ROW : With regard to (*e*) have the Central Government made any definite recommendations to all the Provincial Governments that the loss sustained by the municipalities on account of military traffic should be made good out of the provincial funds ?

THE HON. MR. A. D. F. DUNDAS : No, Sir.

SLAUGHTER OF CATTLE

123. THE HON. MR. SURPUT SINGH : Will Government state :—

(*a*) Whether any figures have been preserved of the number of cattle which have been slaughtered during the last four years of the war in the province of Bengal for consumption by the Army ?

(*b*) If so, the figures of the last four years, year by year ?

(*c*) If not, by rough estimate (i) the daily supply of meat in tons (excluding meatless days) by contractors to the several Issue Depots for the British and Indian Forces;

(ii) The daily supply in tons by contractors to the American and Allied Forces ?

(*d*) Whether there has been great destruction of cattle stock within the Bengal Province during the last four years of the war for daily supplies of meat to the military from within the province itself ?

(*e*) If the answer is in affirmative (i) whether in consequence of such killing of cattle life the essential milk supply for the civil population has been adversely affected ?

(ii) what steps are being taken by the Central Government to have the cattle life so destroyed for military requirements replenished as a post-war measure ?

(iii) whether the efforts of the Agricultural Department to let the province recoup in that matter are bearing any tangible results ?

THE HON. MR. A. D. F. DUNDAS ; (*a*) and (*b*). Separate figures for cattle slaughtered in the Province of Bengal for consumption by the Defence Forces have been maintained only since the 1st April 1944. The numbers are :—

1st April 1944 to 31st March 1945—25,249.

1st April 1945 to 31st Dec. 1945—1,484.

(c) Cattle are not slaughtered for consumption by Indian troops. Separate figures of issues to British, American and Allied Forces are not available.

(*d*) No, Sir. The Livestock Census 1940 shows a total cattle population in Bengal of 23·7 million. Slaughter for the Defence Forces would therefore constitute a minute proportion of this total, *e.g.*—

During 1944/45 .....0·106 per cent.

During 1945/46 .....0·009 per cent.

(*e*) (*i*) Milch cattle are not accepted for slaughter by the RIASC. Consequently milk production is not affected.

(*e*) (*ii*) and (*iii*). The Bengal Government have already prepared a comprehensive post-war reconstruction scheme for livestock development in the province which aims at breeding, dairying and research. This is a matter of long-term policy which will receive financial assistance from the Centre on the basis that may be laid down for all such post-war development schemes. In the meanwhile, the Central Government have given financial assistance for a scheme for a Central Livestock Research and Breeding Station at Haringhata.

The scheme has already made a satisfactory start but will take time to produce definite results.

CIVIL PIONEER FORCE OFFICERS STATIONED AT CHITTAGONG

124. THE HON. SURPUT SINGH: Will Government state :—

(*a*) The names of officers (lieutenant, captain and major) under whom the Civil Pioneer Force was at the time the members of the Force committed the alleged crimes in the Chittagong village recently ?

(*b*) How far away those superior officers of those offenders were staying from the scene of occurrence on that day and hour ?

(*c*) Whether any quantity of petrol was within the easy reach of those men ?

(*d*) If so, the circumstances under which they could get hold of that inflammable substance ?

(*e*) Whether or not the offending men come under the jurisdiction of the Adjutant General at General Headquarters ?

(*f*) If the answer to (*e*) is in the affirmative, whether they do not come primarily under military jurisdiction ?

(*g*) If so, what prevented them from being court-martialled regimentally ?

(*h*) Whether those men were under any sort of bond or agreement ?

(*i*) If the answer to (*h*) is in the affirmative, in whose favour—civil or military—those agreements were given ?

(*j*) Whether their pay and allowances are paid from the military estimates ?

(*k*) The reasons why they are not to be tried by the civil court ?

(*l*) Whether they have been surrendered for being kept in *hajat* pending enquiry and investigation ?

THE HON. MR. A. D. F. DUNDAS : (*a*) At the time of the occurence—7th January—the officer in charge of the unit concerned (which it should be explained was a Provincial Civil Labour Unit and not a unit of the Civil Pioneer Force) was Captain P. C. Young, Indian Pioneer Corps. He had under him Mr. William Naik, 2nd-in-Command, six supervisors and ten assistant supervisors, all civilians.

(*b*) Both the Offiers Commanding and the 2nd-in-Command were in the unit lines at the time of the occurrence. The unit lines were about one mile from the place of occurrence.

(*c*) Four gallons of petrol and four gallons of kerosene were kept in the Quartermaster's store. These quantities were checked and found correct the next morning.

(*d*) This matter is still under investigation.

(*e*) and (*f*). Whilst in military employ civil labour units come under military jurisdiction through the normal channel of military command from Local Commander to General Headquarters.

(*g*) Personnel of such units consist of labourers—not of trained soldiers—and though technically subject to military law are not normally subjected to military law. If they commit any serious offence they are handed over to the civil authorities.

(*h*) and (*i*). Members of the type of civil labour unit involved in the incident under discussion enter into an agreement with the Government of India for employment on defence or other Government works for a period of one year from the date of arrival at site of work. Although the original agreement is with the civil authorities, in the vast majority of cases employment is actually with the Defence Services.

(*j*) The cost of civil labour units employed by the Defence Services is paid from Defence Estimates.

(*k*) and (*l*) The incident was the subject of joint civil and military investigation, as a result of which 60 members of the unit are now on trial in a civil court at Chittagong.

NON-PAYMENT OF HOUSE RENT, ETC., BY MILITARY AUTHORITIES

125. THE HON. MR. SURPUT SINGH : Will Government state :—

(*a*) The number of cases in which the payment of monthly rents to the owners of private houses, buildings and gardens taken for the military under Defence of India Rule in Calcutta and suburbs are being suspended ?

(*b*) Whether the payments in such cases are being held over ?

(*c*) If such delay is admitted, the number of cases with reasons where such delays are occurring ?

(*d*) The reasons why rates and taxes for the requisitioned properties are not paid to the Municipal Bodies by the requisitioning authorities pending the suspension of the owners' dues ?

THE HON. MR. A. D. F. DUNDAS : (*a*) and (*b*). In no case in which the rent has been finally fixed has the payment been suspended for property taken over by the military under Defence of India Rules in Calcutta or suburbs.

(c) After a property is requisitioned under the Defence of India Rules some delay in commencement of the payment of the monthly rental necessarily arises pending the completion of negotiations over the amount of the rent. The qualified Government staff available for this important work is limited. When an agreement cannot be reached an arbitrator has to be appointed under section 19 (1) (b) of the Defence of India Act. Information is not available as to the number of cases where negotiations between the Civil Authorities and the owners are still incomplete. On 15th February sixty cases were awaiting confirmation by the military authorities.

(*d*) The attention of the Hon. Member is drawn to my answer to his question No. 122 regarding the responsibility for payment of rates and taxes. No requests have been made by owners to the Military Authorities to pay rates and taxes in cases where there is delay in the commencement of payment of rent.

GIFT GIVEN BY THE SUDAN GOVERNMENT

126. THE HON. RAJA YUVERAJ DUTTA SINGH : Will Government state the main details of the scheme for the utilisation of the sum of 100,000 placed at their disposal in 1941 by the Sudan Government in grateful recognition of the services rendered by the Indian troops in defence of Sudan territory ?

THE HON. MR. A. D. F. DUNDAS : The attention of the Hon. Member is invited to the press communique of the 2nd May, 1945 on this subject, a copy of which has been placed in the library of the House. It has now been decided that the gift should be devoted to the erection of a hall or wing of the National War Academy.

INCONVENIENCE TO PURCHASEE OF RATIONED CLOTH

127. THE HON. RAI BAHADUR SATYENDRA KUMAR DAS : (*a*) Are Government aware that both men and women have to stand for hours together in the public streets exposed to the heat of the strong sun before the cloth ration shops at

Calcutta and other towns of Bengal, due to the short period of distribution of cloth, lack of proper resting place at the ration shops and improper distribution of the quota by the authorities to the ration shops ?

(*b*) Have Government recently drawn up any scheme to redress the grievances of the people and to meet the acute cloth shortage in Bengal, if so, will they give an outline of such scheme?

THE HON. MR. M. W. M. YEATTS : (*a*) The Bengal Government deny that this is the case.

(*b*) The cloth situation is no worse in Bengal than elsewhere.

IMPORT OF RICE FROM BURMA

128. THE HON. MR. G. S. MOTILAL : When and in what quantity Burma rice is expected to arrive in India during the next twelve months ?

THE HON. SIR JAWALA PRASAD SRIVASTAVA : No final distribution programme for the export of Burma rice during the next 12 months has yet been made by the Combined Food Board and it is, therefore, not possible to state at this stage what quantities will be arriving in India.

THE HON. MR. HOSSAIN IMAM : Has the Hon. Member any idea of the total production of Burma rice this year ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : No, Sir. The conditions there are not yet settled.

THE HON. MR. HOSSAIN IMAM : Is there likely to be any exportable surplus in Burma ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : I am unable to say at this stage.

THE HON. MR. HOSSAIN IMAM : Has the Intelligence Department of the Government of India no information on the subject ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : It does not work in Burma.

IMPORT OF WHEAT

129. THE HON. MR. G. S. MOTILAL : How much wheat has been imported during each of the last three years and how much is arranged to arrive during each quarter of the next twelve months?

THE HON. SIR JWALA PRASAD SRIVASTAVA : The amount of wheat and wheat products imported during the last three years is—

1943	2,30,763 tons.
1944	6,14,661 tons.
1945	7,98,291 tons.

During the first quarter of 1946 we expect to receive about 2,80,000 tons. Negotiations for the programme for the remaining quarters of 1946 are in progress.

THE HON. MR. HOSSAIN IMAM : Are these figures for the calendar year or for the financial year?

THE HON. SIR JWALA PRASAD SRIVASTAVA : Calendar year.

THE HON. PANDIT HIRDAY NATH KUNZRU: Have we in any year received a million tons of wheat from His Majesty's Government ?

NOTE.—Questions in the name of the Hon. Mr. G. S. Motilal were put by the Hon. Mr. M. Thirumala Row.

THE HON. SIR JWALA PRASAD SRIVASTAVA: No, Sir. The figures are there.

THE HON. PANDIT HIRDAY NATH KUNZRU: Have the Government of India pressed for more ?

THE HON. SIR JWALA PRASAD SRIVASTAVA: They have done their utmost.

RELEASE OF PETROL FOR CIVILIAN USE

130. THE HON. MR. G. S. MOTILAL: What percentage of the petrol imported and produced in India has been released for civilian use during November, December 1945 and January 1946 ?

THE HON. MR. A. D. F. DUNDAS: It would not be in the public interest to give the civil releases of petrol and the totals imported and produced, because this would reveal the amount of military consumption ; but I may say that the quantities released for civilian use during November and December of last year were about 5·8 and 6·2 million gallons respectively, which is about three-quarters of the average monthly pre-war release. The figures for January 1946 are not yet available.

THE HON. MR. HOSSAIN IMAM: Is the Government making any endeavour to make it up to the normal consumption ?

THE HON. MR. A. D. F. DUNDAS: Government is constantly endeavouring to get it back to normal.

THE HON. MR. HOSSAIN IMAM: When can we hope to have normal supplies ?

THE HON. MR. A. D. F. DUNDAS: I cannot foretell.

CREATION OF TEMPORARY COMMISSION

131. THE HON. MR. SURPUT SINGH: Will Government state :—

(*a*) The number of temporary Commissions created in (i) Army (ii) Navy and (iii) Air Force during 1941-42, 1942-43, 1943-44 and 1944-45, respectively ?

(*b*) The number of Indians who have been granted such Commissions in (i), (ii) and (iii) of (*a*) respectively, up to date ?

(*c*) When all these temporary Commissions are likely to be discontinued ?

(*d*) The number of Commissioned Officers proposed to be retained in (i), (ii) and (iii) of (*a*) respectively ?

(*e*) The propoprtion of Indians who will be kept on the permanent list in (i), (ii) and (iii) of (*a*) respectively, when the temporary lists are scrapped ?

(*f*) What has become of the scheme proposed by His Excellency the Commander in-Chief before the War Board in London some time ago for the complete Indianization of the Indian Army ?

THE HON. MR. A. D. F. DUNDAS: (*a*) and (*b*). I lay a statement on the table.

(*c*) and (*d*). The strength of the forces required for the defence of India in the future is still being discussed, but it is anticipated that by the 1st April 1947 the vast majority of personnel surplus to peace time requirements will have been demobilised.

(*e*) and (*f*). The scheme referred to by the Hon. Member is explained in the Press Communique on the subject which was issued on the 22nd of October last, a copy of which I place on the table of the House. The policy of Government has not changed.

Statement

(a)	1941	1942	1943	1944	1945
(*i*) Indian Army	16,400	10,650	10,700	5,550	2,300
(*ii*) Royal Indian Navy . . .	308	511	738	420	259
(*iii*) Royal Indian Air Force . .			See footnote.		
(*b*)	1941	1942	1943	1944	1945
(*i*) Indian Army	2,670	3,670	5,100	2,780	1,430
(*ii*) Royal Indian Navy . . .	89	238	321	349	199
(*iii*) Royal Indian Air Force . .	180	405	658	228	212

FOOTNOTE.—During the years 1941 to 1945 the Government of India authorised for ground duties, other than medical, a ceiling of 1,122 officers. There was no limit placed on the number of suitable officers who could be commissioned for General (Flying) Duties or Medical Duties. The Royal Indian Air Force being a purely Indian Service, no commissions were given in it to non-Indians.

PUBLIC RELATIONS DIRECTORATE ;

GENERAL HEADQUARTERS, INDIA

New Delhi, October 22, 1945.

Press Communique

New Delhi, October 22.—The Government of India have had under consideration for some time the policy to be followed in the future officering of the Royal Indian Navy, the Indian Army and the Royal Indian Air Force, and, in agreement with His Majesty's Government have made the following decisions.

The grant of permanent commissions in the Royal Indian Navy and the Indian Army will, in future, be restricted to Indians and to other persons domiciled in India who are subjects of His Majesty or of a Prince or Chief in India.

The recruitment of officers to the Royal Indian Air Force is already subject to this restriction. As a temporary expedient, however, and in order to meet immediate needs, it has been decided to offer 40 regular commissions to European officers of the R. I. N. Reserves. This will enable the R. I. N. to obtain officers of intermediate seniority with war experience, a category to fill which, a sufficient number of Indian officers is not at present available.

It will be generally recognised that the three Indian Services will still require a quota of British officers until such time as there is an adequate supply of qualified Indian officers completely to fill all grades in the officer cadre. It has been decided therefore that British officers for service in the three Indian Services shall hereafter be obtained by secondment or attachment from the Royal Navy, the British Army and the Royal Air Force respectively for so long as may be found necessary.

The quota of seconded or attached British officers of the three Indian services will be systematically and progressively reduced as Indian officers become available.

Certain matters arising out of these decisions such as the duration of periods of secondment or attachment of British officers from British Services, and the terms and conditions under which such officers will serve, are being examined by the Government of India in conjunction with His Majesty's Government.

These decisions do not affect the position of regular British Officers already holding permanent commissions in the Royal Indian Navy and the Indian Army.

MAINTENANCE OF THE INDIAN RED CROSS ORGANISATION

132. THE HON. MR. SURPUT SINGH : Will Government state :—

(*a*) Whether the Indian Red Cross Organisation is patronised, fostered and financed by the Government of India from the Central revenues ?

(*b*) If the answer to (*a*) is in affirmative ; the nature and extent of their interest therein?

(*c*) The policy and programme that the organisation is supposed to have carried on in the country ?

(*d*) What amounts have been subscribed by them to the organisation from Central revenues only, in 1941-42, 1942-43, 1943-44 and 1944-45, respectively ?

(*e*) What amounts have come to the organisation from private subscription from (i) Europeans and (ii) Indians in 1942-43, 1943-44 and 1944-45, respectively ?

(*f*) How many European office-bearers are there in the organisation with pay and emoluments of Rs. 1,000 and above ?

(*g*) How many British nurses are now in the service of that organisation ?

(*h*) What sort of humanitarian or relief work by the organisation has been done during (i) the storm and flood havoc in the Midnapur district, (ii) Dacca riots, (iii) bomb casualties in Calcutta and suburbs, (iv) Famine distress and deaths in Calcutta, (v) malaria and cholera havoc that followed the famine ?

(*i*) If no relief or humanitarian work was done in any of these cases, whether no relief or humanitarian work was forthcoming in these instances ?

(*j*) What amount the organisation has received from private charity in Bengal during 1945-46?

THE HON. MR. A. D. F. DUNDAS : (*a*), (*b*) and (*d*). The Indian Red Cross Society, which is a voluntary body constituted by Act XV of 1920, is not financed from Central Revenues. The Government of India are however interested in the Society because it is recognised under the Geneva Convention as an auxiliary of the Army Medical Services and also because as a member of the League of Nations India has the obligation, under Article XXV of the League Covenant, to encourage and promote the establishment and co-operation of a duly authorised voluntary Red Cross Organisation in the country.

Some Government officers are serving honorarily on the Society's Managing Body and are helping with advice in the development of its humanitarian activities which are of value to the medical and public health services.

(*c*) The Society's aims are the improvement of health, prevention of disease and mitigation of suffering in peace and war, and it has been devoting itself to this end by carrying on activities, details of which are published in its annual reports.

(*e*) I lay a statement on the table, but details of the amounts subscribed by Europeans and Indians separately are not available and the time and labour involved in collecting them would not be worth the result.

(*f*) At present eight European officers with pay of Rs. 1,000 per mensem and above are serving under the Joint War Organisation in India and overseas (including SACSEA). Most of them are shortly leaving the Organisation.

(*g*) None.

(*h*) and (*i*). The Indian Red Cross Society contributed over Rs. 10,000 for relief of distress caused by cyclone and flood in Midnapore district, besides the personal services of its junior members who helped in rescuing marooned villagers and in distributing rice, etc. During the Dacca riots, members of the St. John's Ambulance Brigade which works in close collaboration with the Indian Red Cross gave first aid to injured students. These personnel also rendered first aid to the casualties in the Calcutta air raid in December 1942 and gave aid to destitutes suffering from cholera and removed them to hospital.

In connection with the Bengal famine the Society rendered excellent service by the provision of milk and certain protective foods to destitute children and nursing expectant mothers. The Milk Service was started in September 1943 and so far over 3,300 tons of powdered and evaporated milk to the value of about half a crore of rupees obtained from various sources have been distributed in the province. A total of approximately 150 million milk feeds have already been served through 2,000 canteens organised all over Bengal. Supplies of milk were also made available to the Famine Relief Emergency Hospitals. In addition to milk about a lakh of woollen and cotton blankets were distributed to destitute people in Bengal in the winter of 1943-44.

I regret the requisite information is not available.

STATEMENT

List of contributions received by the Central Joint War Organisation of the Indian Red Cross and St. John.

Year	Contributions from H. E. The Viceroy's War purposes Fund	Received direct from the Public	Contributions transferred from the Provincial and State Joint War Committees	Contributions received from Iraq	Contributions received from Mideast	Contributions from British Joint War Organisation	Misc.
1	2	3	4	5	6	7	8
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1942 .	...	7,95,185	36,97,827	5,166	5,215	6,66,666	4,16
1943 .	*48,00,000	22,24,834	1,43,63,251	3,96,315	26,554	3,33,333	965
1944 .	...	15,87,386	1,13,12,295	25,868	1,10,941	...	43,856
1945 .	†5,00,000	8,77,684	43,74,408	9,13,463	7,252	...	3,61,935
1946 (Upto 26th February).	...	73,909	22,12,543	...	...	14,64,122	1,326

*Under guarantee from Provincial Governors these contributions were received *through* the Viceroy's War Purposes Fund.

†Repayable to H. E. The Viceroy's War Purposes Fund.

ITALIAN PRISONERS OF WAR

133. THE HON. FLIGHT-LIEUTENANT RUP CHAND : Will Government state :—

(*a*) The total number of camps in India for the Italian prisoners of war ?

(*b*) The total number of Italian war prisoners still in India ?

(*c*) Whether it is the intention of Government to repatriate these prisoners from India back to Italy in the immediate future ; if not, why not?

(*d*) The total expenditure incurred by Government on the maintenance of these Italian war prisoners in India ;

(*e*) Whether any expenditure incurred on these Italian war prisoners during their stay in India is to fall on Indian revenues directly or indirectly ; if so, what are the details of such expenditure?

THE HON. MR. A. D. F. DUNDAS : (*a*) Eight camps.

(*b*) 26,172.

(*c*) All Italian prisoners of war will be repatriated as shipping becomes available but they cannot be given priority for repatriation over British troops.

(*d*) The total expenditure incurred on the maintenance of Italian prisoners of war in India upto the end of 1944-45 is Rs. 28·05 crores. The expenditure for 1945-46 is estimated at 3·50 crores.

(*e*) No portion of the expenditure incurred on the maintenance of these prisoners falls on Indian revenues.

THE HON. MR. HOSSAIN IMAM : Does it include the barracks at Ajmer in which they are detained ?

THE HON. MR. A. D. F. DUNDAS : Sir, it includes everything that has been built or hired or otherwise used for them.

GRIEVANCES OF R. I. A. F. PERSONNEL

134. THE HON. FLIGHT LIEUTENANT RUP CHAND : Will Government state:—

(*a*) Whether it is a fact that a large number of R.I.A.F. men went on hunger strike in Karachi as a protest against the insanitary conditions of living, unsatisfactory accommodation and other grievances ?

(*b*) The steps taken by Government to redress the grievances of these R.I. A.F. men.

THE HON. MR. A. D. F. DUNDAS: The difficulties at Karachi arose initially from purely local circumstances. Some 2,000 R. I. A. F. airmen were brought to Karachi at very short notice with the result that arrangements for their accommodation, sleeping, electric light, lavatories, etc. were, at first, somewhat makeshift. They, therefore, refused to take their meal that evening and again next morning. Immediately this became known, the Officer Commanding the Station called them together and heard their grievances. He at once gave orders to remedy most of the defects and, in the meantime, the A O.C-in-C. Air Marshal Sir Roderick Carr himself arrived by air from Delhi and heard the men's grievances. Everything possible was done to remedy the men's immediate grievances. Better tents and proper beds and blankets were provided; a number of electric generators were flown in by air further posting of R. I. A. F. airmen to Karachi was stopped to prevent overcrowding; haircutting arrangements and lavatory accommodation were improved; and the Command Catering Officer was deputed to ensure that the catering arrangements were adequate.

The men at once returned to work and there has been no further trouble. The A O.C-in-C. has, however, appointed a Committee of Enquiry into the incident and certain other grievances of the men regarding their pay and other conditions of service are being given further consideration.

INDIAN ORDNANCE SERVICE

135. THE HON. MR. V. V. KALIKAR: Will Government state :—

(*a*) The strength of the Indian and non- Indian gazetted and non-gazetted officers in the Indian Ordnance Service?

(*b*) The scale of pay and emoluments of the Indian and non-Indian gazetted and non-gazetted officers of the Indian Ordnance Services?

THE HON. MR. M. W. M. YEATTS: (*a*) and (*b*). Statements are laid on the table

Strength of the Indian and non-Indian gazetted and non-gazetted officers in the Indian Ordnance Clothing and Harness and Saddlery Factories

	Indian	Non-Indian
Gazetted Officers	*99	*232
Non-gazetted Officers (Indian Ordnance Department)	13,36	729

*Including Officers belonging to the Indian ordnance Service.

Rates of pay, etc., of officers of the Indian Ordnance Service and non-Gazetted staff of Indian Ordnance Department serving in Indian Ordnance, Clothing and Harness and Saddlery Factories

A—Pay

Appointments	Rates of pay in force before 28th September 1931 (Asiatics & Non-Asiatics)	Revised rates of pay in force since 28th September 1931 (Asiatics)
(*i*) *Gazetted Officers*		
1. Superintendent . .	Rs. 1,350—100—1,750+ £30 Overseas pay.*	Rs. 1,100—70—1,450
2. Works Manager . .	Rs. 850—100—1,250+ £30 Overseas pay.*	Rs. 650—35—1,000.
3. Assistant Works Manager	Rs. 600—50—800+. £25 Overseas pay.*	Rs. 500—25—625.
(*ii*) *Non-Gazetted Officers*		
1. Principal Foreman .	†600—20—700 . . .	Rs. 475—15—535
2. Foreman . . .	†Rs. 500—20—600 (after 10 years 650).	Rs. 400—15—475 (E. B.)—25/5—500.
3. Asst. Foreman . .	†Rs. 375—15—435 (6th, 8th, 10th yrs. 450, 470 and 490).	Rs. 300—12—360 (E. B.)—15/2 390.
4. Storeholder . .	Rs. 500—20—600 . . .	Rs. 400—15—475 (E. B.) at 445.
5. Asst. Storeholder .	Rs. 375—15—435 . . .	Rs. 300—10—350 (E. B.) at 320.
6. Chargeman . .	Rs. 200—10—300 (after 5 yrs. 350).	Rs. 170—10—250 (E. B.)—40/4—290.

*For officers of non-Asiatic domicile.
†Plus Rs. 75 increase in pay for those of non-Asiatic domicile.

B—War Allowance

Gazetted and Non-Gazetted officers of Asiatic and non-Asiatic domicile are entitled to war allowance at the following rates :—

I. O. S. Married	17½ per cent.
I. O. S. Single	7½ per cent.
I. O. D. Married or Single	17½ per cent.

Gazetted officers of the Ordnance Factories living in Presidency Towns receive compensatory allowance according to the usual scales.

C—Education allowance

	Non-Asiatic domicile	Asiatic domicile
Principal Foremen, Foremen, Storeholders, Asst. Foremen, & Asst. Storeholders.	Rs. 50 per child of school age	Rs. 30 per child of school age.
Chargemen	Rs. 30 per child of school age	Rs. 10 per child of school age.

INDIAN ORDNANCE SERVICE

136. THE HON. MR. V. V. KALIKAR : (*a*) Is it a fact that (i) before 1931 there was no difference in the scales of pay of Indian and European officers in the gazetted and non-gazetted ranks of the Indian Ordnance Service, (ii) Government have been paying since 1931 higher scales in addition to overseas allowance to the European officers than that given to the Indian officers?

(*b*) If the answer is in the affirmative ; will Government remove the distinction and give the Indians the same scales of pay?

(*c*) Is it a fact that Government is making a distinction between the Indian and European gazetted officers in the Indian Ordnance Service as regards emoluments and other facilities, such as children's educational allowance, medical allowance, leave, etc.?

(*d*) Will they take steps to remove these distinctions and give the Indians the same facilities? If not, why not?

(*e*) Do they propose to take immediate steps to completely Indianize the Indian Ordnance Service? If so, when?

THE HON. MR. M. W. M. YEATTS : (*a*) Yes, Sir.

(*b*) Government will examine this question.

(*c*) Yes, Sir.

(*d*) Government will examine this question.

(*e*) The most expert and up to date technical knowledge and experience are essential in the Indian Ordnance Service, but it will be progressively Indianised as recruits of the required calibre become available.

THE HON. MR. HOSSAIN IMAM : Is the Ordnance Service not under the War Department ?

THE HON. MR. M. W. M. YEATTS : At present, Sir, it is under this Department. The intention is that it will later return to the War Department.

NUMBER OF PRISONERS DETAINED UNDER ORDINANCE III OF 1946

137. THE HON. MR. P. N. SAPRU : (*a*) Will Government state:—

(i) The total number of prisoners detained by the Central Government under Ordinance III of 1944 ?

(ii) The number of such detenus in the various provinces ?

(iii) Whether they are aware of the general feeling in the country that they should be released ?

(*b*) Do they propose to release them forthwith ?

THE HON. MR. A. E. PORTER : (*a*) (*i*). Two.

(*ii*) 2,518.

(*iii*) Government are aware that a demand has been voiced for their release.

(*b*) The cases of the two Central Government prisoners are under consideration. The release of the others is a matter for the Provincial Governments.

THE HON. PANDIT HIRDAY NATH KUNZRU: Have the Central Government during the past, asked the Provincial Governments to consider the desirability of releasing these people?

THE HON. MR. A. E. PORTER: There has been consultation on the subject between the Centre and the Provincial Governments.

THE HON. PANDIT HIRDAY NATH KUNZRU: Have the Central Government approved of the policy hitherto followed by the Provincial Governments on the detention of so large a number of them?

THE HON. MR. A. E. PORTER: The Central Government have approved a policy which we understand has been accepted in principle by the Provincial Governments and is being worked out.

THE HON. PANDIT HIRDAY NATH KUNZRU: Is there any chance of the men who are now in detention in the provinces being released at an early date?

THE HON. MR. A. E. PORTER: That Sir, as I have said in my answer, is a matter for the Provincial Government concerned.

THE HON. PANDIT HIRDAY NATH KUNZRU: In view of the fact that a uniform policy is being followed by the Central and the Provincial Governments, can the Hon. Member give us an indication of the possibility or the probability of the release of the men who are now in detention?

THE HON. THE PRESIDENT: That is a hypothetical question.

THE HON. PANDIT HIRDAY NATH KUNZRU: It is not a hypothetical question. The Hon. Member said that agreement has been arrived at between the Central and the Provincial Governments in regard to the policy to be pursued and I asked the Hon. Member to tell us whether according to this policy a large number of men will be released soon?

THE HON. MR. A. E. PORTER: A large number of men have been released. Of the number which I have given, 2,241 are of the *goonda* class. That leaves 279 in what you might call the non-criminal class. I suggest that 279 is not a large number. The policy is to release these men gradually with such expedition as is consistent with security and the maintenance of law and order. In these circumstances I am not in a position to say when any particular number of men will be released. Inevitably, Sir, there will be a certain number of men who will have to be kept on considerably longer than others.

THE HON. PANDIT HIRDAY NATH KUNZRU: Are these 2,200 *goonda* in detention in Bengal?

THE HON. MR. A. E. PORTER: No, Sir. There are no *goondas* in detention in Bengal.

THE HON. MR. HOSSAIN IMAM: Could the Hon. Member indicate why they are being detained under the Ordinance and not prosecuted under the ordinary law of the land, *goondas* or no *goondas*?

THE HON. MR. A. E. PORTER: As I have said, I am concerned with two prisoners whose cases are under constant consideration. I am not concerned with the other cases. That is the responsibility of the Provincial Government.

THE HON. PANDIT HIRDAY NATH KUNZRU: Can the Hon. Member give us the names of the two persons with whom the Central Government is concerned?

THE HON. MR. A. E. PORTER : I can, Sir.

THE HON. PANDIT HIRDAY NATH KUNZRU : Who are they ?

THE HON. MR. A. E. PORTER : Mr. Jai Prakash Narain and Mr. Ram Manohar Lohia.

THE HON. RAI BAHADUR SRI NARAIN MAHTHA : Are they classed as *goondas*?

(No answer)

CONDITION OF INDIANS IN SOUTH AFRICA

138. THE HON. MR. P. N. SAPRU : Will Government state :—

(*a*) Whether they are aware of the deep feelings in India roused by the attitude of the South African Government towards the Indians settled in that country. ?

(*b*) If so, what steps do they propose to take to vindicate the honour of the Indians?

THE HON. DR. N. B. KHARE : (*a*) Yes.

(*b*) I expect to make a statement in the House in a day or two and would request the Hon. Member to await that.

PUBLICATION OF THE REPORT OF THE INDUSTRIAL MISSION

139. THE HON. MR. G. S. MOTILAL : Will Government state whether the Industrial Missions sent by them to countries abroad have made any report to the Government of India ; if so, when will it be published or placed before the Indian. Legislature or any of its departmental or other committee ?

THE HON. MR. M. W. M. YEATTS : The Hon. Member probably has in mind certain parties of industrialists which toured Australia, U. K. and U. S. A. last year. Two of them went at the invitation of the Government of India, but all including these two were purely unofficial in character. The party which went to Australia were guests of the Australian Government, and the others bore their own expenses. Government only arranged for the usual facilities such as priority passages, dollar exchange, contacts with their opposite numbers in the countries visited, etc. These parties were not required to submit any report on their tours to the Government of India. Statements which have appeared in the Press on the results of these tours are personal impressions of the parties and are not based on official reports.

THE HON. MR. M. THIRUMALA ROW : Have they submitted any report to the Government of India ? Have they sent any communication of their impressions and the handicaps that they experienced there ?

THE HON. MR. M. W. M. YEATTS : No, Sir.

THE HON. MR. M. THIRUMALA ROW : They went there on your invitation. Did the Government of India ask them for a report of their experiences there ?

THE HON. MR. M. W. M. YEATTS : I cannot answer that off hand, Sir. I will enquire if you like.

CAPITAL GOODS

140. THE Hon. MR. G. S. MOTILAL : (*a*) Have Government made an estimate of the amount of India's requirement of capital goods during the next four years ?

(*b*) Have they collected any information on the subject ?

THE HON. LT. GENERAL SIR THOMAS HUTTON :(*a*) and (*b*). It was roughly estimated last year that the requirements for the first five post-war years would be about Rs. 192 crores on the basis of the pre-war price level. This estimate is being brought up to date.

STATEMENTS, ETC., LAID ON THE TABLE

THE HON. SIR JWALA PRASAD SRIVASTAVA (Food Member): Sir, I lay on the table copies of a Memorandum on the Food situation and Development of Food Policy up to 21st January, 1946.

DEPARTMENT OF FOOD

Memorandum on the Food situation in India and Development of Policy upto the 21st January, 1946

Although the War has come to a successful end, conditions which led to the introduction of the Basic Plan for distribution of available supplies, with its attendant controls, have not materially altered. The world food situation in 1946 is not likely to be less difficult than in 1945. The devastated countries in Europe will need food in large quantities from outside. Though with the defeat of Japan rice markets of Burma, Siam and French Indo-China have reopened, the quantities to be offered for export are likely to be small as compared with those in pre-war times; and, in any case, there are other countries which, owing to devastation caused by the War or for their normal dependence on imports from those areas are strong claimants to whatever is available for export. Production and movement all over the world will take time to return to normal levels and in the meanwhile, world allocations must continue to be made by the Combined Food Board, Washington. While this continues, neither the Government of India nor Indian traders can operate as free agents in procuring supplies from abroad and therefore our own resources will have to be carefully husbanded.

The elements too have not been very kind this year. The vagaries of the monsoon have adversely affected crops in certain parts of the country while cyclones have caused considerable damage to crops in other parts. All this calls for increased vigilance and greater control over our internal resources. The present controls with regard to procurement, distribution, movement, prices and rationing will have to continue for some time longer. They will be reviewed from time to time with a view to their relaxation which must, however, be a gradual and regulated process consistent with the need for establishing a permanent and fair system which will assure a market for the producer and a fair distribution of food to the consumer, and will stabilise prices at levels fair to both.

The Woodhead Commission have dealt with the question of food administration at length in their final report and have urged that Government must assume the obligation of feeding the population in India and that a policy of *laissez faire* in the matter of food would end in disaster. The recommendations of the Commission are now being examined and as a result of this examination it will be possible to formulate a programme of action which can be the basis of Government policy in the post-war period.

A. *Summary of crop prospects*

The monsoon, though generally adequate in total, was irregularly distributed. It did not break in full strength over several parts of the country till late in the season. Up to the end of August rainfall was below normal in South West Bengal, Bihar, Eastern parts of the U. P., Orissa, Western parts of the C. P., Mysore, Southeast of Madras and the northern coast of Madras. The effect of these unsatisfactory monsoon conditions was, that sowings and transplantation of rice were delayed especially in Bengal, Bihar and parts of Orissa. Hathia (September-October) rains were, however, satisfactory and improved crop prospects considerably. The Aman crop in Bengal is now reported to be average. In Bihar, however, the crop is expected to be somewhat below last year's crop. Cyclonic weather developed in Orissa towards the middle of October and caused damage to early winter paddy crop in Cuttack, Balasore and Puri districts.

In the U. P., rainfall was irregularly distributed and the Kharif crop is likely to be below normal.

Summer monsoon in the Punjab was generally satisfactory, but heavy rains in October caused some damage to Kharif crops in parts of Ambala and Jullundur Divisions. The total rainfall in the N. W. F. P. from the beginning of June to the end of October was considerably below normal.

Rainfall in Madras was both inadequate and irregular. Crops in Anantapur, Bellary, Kurnool, Cuddapah and Chittoor suffered seriously from lack of adequate rain. During October, strong winds accompanied by rains and tidal waves caused severe damage to the rice crop which was ready for harvesting. The districts affected by cyclone, were East and West Godavari, Kistna and Guntur which form a compact bloc of surplus rice producing areas. The damage in East and West Godavari which were worst affected was estimated at about 60 per cent. and the total loss to early and late crops was estimated at about 400,000 tons.

In Bombay, the rainfal during August was not enough for the paddy crops in Gujrat districts, while in Panchmahal, maize crop was adversely affected by excessive rains. During September, excessive rains caused damage to the millets crop in Gujrat districts, but were beneficial to the paddy crop. Rainfall was, however, inadequate in the Deccan and Karnatak areas during September, October and November and as a result, the Kharif crops have been seriously damaged and the prospects of a fair rabi crop have been ruined. It is estimated that the additional quantity of foodgrains which might be required as a result of the above mentioned damage would be in the neighbourhood of 400,000 tons.

In Madras and Mysore the north east monsoon has almost completely failed and there has been drought of unprecedented severity. Crops in large areas have failed and extensive assistance will be necessary to save the situation.

Kathiawar, on the other hand, suffered from excessive rains which damaged the bajra and jowar crops.

In the Punjab, N. W. F. P. and U. P. the absence of late December and early January Rains is causing anxiety. Unless rain falls soon, there is danger of the young shoots of the Rabi crop withering in the soil.

B. *Progress of the Basic Plan*

The Kharif and Rabi Plans 1945-46 taken together attempt the distribution of 3·2 million tons of foodgrains including about 0·2 million tons arrears from the preceding years' plans, from surplus to deficit areas and to the Defence Services. Against the above combined total movement target of 3·2 million tons, about 1·1 million tons have been despatched upto the 13th December, 1945. The total quantity of foodgrains despatched to each of the principal deficit areas up to the 13th December, 1945 is as under:—

Area	*Quantity*
Bengal	178,900 tons.
Bombay	154,800 ,,
Madras	33,200 ,,
U. P.	143,900 ,,
Trav./Cochin	.
W. I. States and Baroda	9,400 ,,

The table below gives the total export quotas and the total despatches from surplus areas (including overseas imports) to the deficit areas :—

(In '000 tons.)

Food Grain	Total Quota	Despatches upto 13-12-45 (for Kharif Grains from 1-11-45 and Rabi Grains from 1-5-1945).	Percentage of despatches to quotas.
Rice	1,096·7	72·3	6·6
Millets	279·0	26·3	9·4
Maize	60·7	.....	...
Wheat	1,719·8	1,057·3	61·5
Barley	61·4	37·9	61·7
Total	3,217·6	1,193·8	37·1

The Wheat quotas given above include 760,000 tons of Wheat from overseas imports (for May 1945 to April 1946).

Rabi Plan 1945-46

Wheat—The allocations made in May 1945 had to be revised shortly afterwards owing to certain changes which were brought to notice during the following two months. The Plan was, therefore, revised and re-issued in July 1945 as being effective for the year May 1945—April 1946. The declared internal surpluses under this Plan amounted to 9,11,000 tons including 35,000 tons of Central Government's stock in the depots. In addition, 7,60,000 tons of wheat was promised by H. M. G. from overseas. The total quantity available for distribution was thus 16, 71, 600 tons. The deficits declared to the Food Department amounted to 20, 24,000 tons. As the Plan progressed, the Central India States offered, for the first time, a surplus of 15,000 tons wheat. On the other hand, a deterioration in the internal declared surpluses arose to the tune of about 40,000 tons. The position was rendered all the more difficult owing to the slow progress of procurement in the Punjab. The wheat position in the U. P. also worsened with the result that a quota very much in excess of the original deficit of 1,00,000 tons had to be provided. In addition to the 7,60,000 tons of imported wheat, the distribution of which was made under the Plan 2,00,000 tons of wheat is expected to be received by the end of April 1946 out of further imports of 400,000 tons promised by H. M. G.

Kharif Plan 1945-46

The total rice and millets surpluses offered to the Food Department by the Provinces and States for 1945-46 at the Commencement of the Kharif Plan amounted to 7,91,000 tons and 2,31,000 tons respectively, while the declared deficits of rice and millets amounted to 27,42,000 tons and 4,80,000 tons respectively. In addition to the internal surpluses 1,61,000 tons of Burma rice was also promised to India by the end of December 1945 of which only half was received. The failure of th monsoons and the damage caused by cyclones have however completely changed the picture. Bombay, Madras, Mysore, the Deccan States and the Western India States have increased their demands considerably which it is not possible for the Food Department to meet except from increased imports of wheat and rice from abroad, particularly in the next four months. The matter has been taken up with the Combined Food Board, Washington.

Experience of the working of the Basic Plan during the last two years has indicated the need for exercising more pressure on the deficit areas to relate their declared deficits more correctly to the actual requirements with a view to reducing cases of belated surrenders of allotted quotas to the minimum. Such belated surrenders besides causing inconvenience and some time a possibility of financial loss to the surplus areas, deprive the other deficit areas of foodgrains at a time when they are most needed. With the same end in view, it has been laid down that deficit areas will have to make good financial losses, if any, that are suffered by the supplying administrations due to the diversion of quotas late in the season. At the same time the surplus administrations are being persuaded to offer grain of acceptable quality so that complaints regarding bad quality may be reduced to the minimum.

C. *Price Control*

(*i*) *Rabi Prices*

On the 31st March, 1945, the Government of India, after considering the views of the Governments of the main wheat producing areas and the recommendations of the Price Advisory Committee, decided that there should be no change during the Rabi crop year 1945-46 in the existing statutory maximum prices of wheat nor in the statutory maximum prices of gram and barley which were in the ratio of 8/10ths and 7/10ths respectively of the statutory maximum price of wheat. It was also decided that there should be no change during the next 12 months in the guaranteed minimum price of Rs. 7-8-0 for fair average quality wheat.

In June 1945 the Sind Government approached the Government of India with a request that they should be permitted to reduce the statutory maximum price of wheat in Sind from Rs. 9-8-0 to Rs. 8-10-0. This step was necessary because dealers in Sind were purchasing large quantities of wheat at rates in excess of the Government's fixed purchasing rate (*viz.* Rs. 8-10-0) in anticipation of ultimate requisitioning for which the Provincial Government would be compelled to pay the statutory maximum rate as compensation. The Sind Government's proposal was agreed to and they reduced the price of wheat to Rs. 8-10-0 per maund from the 21st June 1945.

(*ii*) *Kharif Prices*

The question of the fixation of rice and paddy prices in Sind for 1945-46 was considered at a special meeting of the Price Advisory Committee on the 5th September, 1945, as the Sind Government represented that Sind paddy started coming to the market in the first week of October and therefore it was absolutely essential in the interests of cultivators that the price of paddy for Sind should be fixed and declared by the middle of September. After full consideration of all aspects of the case and the recommendation of the Price Advisory Committee, the Government of India decided that the Sind Government's purchase price of Kagni rice should be reduced from Rs. 9 to Rs. 8-12-0 and that of paddy, from Rs. 5-8-0 to Rs. 5-3-0 per maund. The prices of joshi and red rice were also similarly reduced from Rs. 8-8-0 to Rs. 8-2-0 per maund.

Kharif prices in the Eastern region were considered at a Regional Conference held at Calcutta on the 22nd September, 1945, attended by representatives of the various units forming the region and presided over by the Secretary, Food Department. The Conference made the following recommendations :—

(*i*) Continuance of existing prices in Bengal and Bihar.

(*ii*) Scaling down of procurement prices in Assam to the Bengal level and some reduction in prices in the Eastern States.

The above recommendations were approved by the Price Advisory Committee and the Government of India and in pursuance thereof the Assam Government made suitable reductions, with the approval of the Government of India, in their procurement prices for 1945-46.

Rice prices in the Eastern States have also been reduced in the case of hand-pounded rice from Rs. 9-8-0 to Rs. 9-4-0 and in the case of milled coarse rice from Rs. 10-8-0 to Rs. 10 per maund The Government of Orissa have also reduced their statutory maximum prices of rice and paddy as follows :—

	Rice				Paddy			
	Common		Fine		Common		Fine	
	From	To	From	To	From	To	From	To
Puri	...	...	...	...	...	...	...	...
Cuttack	7 12 0	7 2 0	9 12 0	8 14 0	4 8 0	4 2 0	5 12 0	5 4 0
Balasore	...	...	...	...	...	...	...	...
Ganjam	...	...	...	...	...	...	...	...
Sambhalpur	No	...	9 12 0	9-8-0	4 8 0	4 8 0	5 12 0	5 8 0

Kharif prices for the rest of the country were considered at a meeting of the Price Advisory Committee held on the 12th October, 1945, and the following decisions were taken :—

(1) Statutory maximum price for coarse quality rice should be reduced from Rs. 13-8-0 to Rs. 12-4-0 in the Punjab and to Rs. 13-4-0 in the U. P. Existing maximum prices or existing Price ceilings should be maintained in Bombay, Madras and C. P.

In view of the existing disparities in rice prices in various parts of the country and as the rice grower was assured of a ready market in the country the announcement of a floor price for ricee was not considered necessary. The cultivator is however, protected by the general guarantee given by the Government of India in connection with the " Grow More Food " campaign that they would enter and support the market should foodgrain prices fall unduly,

(2) The maximum wholesale prices of bajra and jowar in primary markets should be reduced by Rs. 0-4-0 each from existing levels, the revised statutory maximum price being Rs. 7-4-0 a maund for bajra and Rs. 6-12-0 a maund for jowar.

The guaranteed minimum prices for jowar and bajra should also be reduced by Rs. 0-4-0 each the revised guaranteed minimum prices being Rs. 5-12-0 for bajra and Rs. 5-4-0 for jowar.

In October last it was decided that the price of maize need not be controlled on an all-India basis. The uncontrolled state of maize price was, however, reported to be exercising a bullish effect on the prices of other foodgrains in certain areas. It was, therefore, decided at the end of December, 1945, to fix the statutory maximum price of maize at Rs. 7 per maund in the main maize producing areas.

D. *Rationing*

(1) *Extension of Rationing*

Since the last memorandum presented in February, 1945, rationing has been extended to 40 more towns representing a population of over 3 million people. In all, 556 towns covering a population of over 53 million persons have been fully or partially rationed. It is expected that before long about 60 more towns covering a population of nearly 1¼ million persons will be brought under rationing.

(2) *Nutrition*

The extension and intensification of rationing has brought to the forefront the nutritional aspect of the food problem in India as malnutrition and under-nutrition are widely prevalent amongst the poorer classes in this country. A new Directorate has been created in the Food Department since January, 1945 to deal with several new problems of Nutrition of a technical and semi-technical nature *e.g.*, feeding of children, nutritional and balanced diets, provision for heavy manual workers of cooked food through Industrial Canteens, milk priority schemes, food and nutrition publicity through publications, lectures, posters, radio talks and films.

(3) *Publicity*

Food Department have for the last 12 months been publishing two prochures " Nutrition" and " Canteens in Industry " to stimulate popular interest in dietetics. " Canteens in Industry " is a quarterly publication directed at Industrialists and other employers of labour encouraging them to establish cheap cooked food canteens and to improve the feeding arrangements for their workers.

E. *Storage*

Proper storage of foodgrains has been and will always remain a question of great national importance. Food production in India even during normal times is inadequate to meet the demand of the growing population if every man is to be properly fed. The food supply of the country, however, depends not only on its production but also on the prevention of waste. The extent of loss which occurs as a result of damage to stored grains by insects, rodents and natural causes is not generally realised. Conservative estimates put this loss at 3 million tons annually which shows what tremendous scope there is for improvement in this direction.

With a view to minimize these losses as far as possible, Food Department undertook the responsibility of initiating and co-ordinating measures of improvement and set up a Storage Directorate in November 1944 with the following main functions :—

(*i*) A survey of existing storage conditions and advice on conversion, adaptation or improvement of existing buildings for storage purposes.

(*ii*) Dissemination of scientific advice on scientific methods of storage and grain handling.

(*iii*) Preparation of detailed schemes for construction of extra storage accommodation in areas where the existing storage is inadequate.

(*iv*) Training courses for Provincial and State officials entrusted with the responsibility for storage.

(*v*) Liaison with trade to induce modern scientific methods of conservation.

(*vi*) Research.

As a result of the general survey it was found necessary to provide extra storage accommodation at important ports for imported foodgrains and at suitable centres for transit storage to facilitate procurement of foodgrains and their transportation by rail from one inland centre to another. More storage had also to be provided in the surplus areas specially in the Punjab, Sind, C. P. and Orissa, to give effect to the policy of putting into consumption imported grain first and storing surplus indigenous produce. These new constructions fall under three categories.

(a) Godown built at the entire cost of the Central Government

They comprise the following :

Location of godowns	*Capacity*
Bombay	35,000 Tons
Vizagapatam	10,000 ,,
Coimbatore	14,500 ,,
Bulk storage bins at 5 centres in Sind (Nawabshah, Shahdadpur, Mirpurkhas, Digri and Jhudo)	30,000 ,,
Dhamtari (in C. P.)	750 ,,
Bhatapara (in C. P.)	500 ,,
Khurda Road (in Orissa)	500 ,,
Sambalpur (in Orissa)	3,000 ,,
Bobilli (in Madras)	2,000 ,,
	96,250 ,,

The capacity at the first three places is mainly intended for the storage of imported grain, the bulk storage bins in Sind for long term storage of surplus indigenous produce and the godowns at the last mentioned 5 places for the surplus produce of the Eastern States which it was felt could not be tapped to the maximum extent in the absence of suitable godowns for its reception in British India.

(b) Godwons constructed on the 50 : 50 basis

An arrangement was arrived at with the surplus producing Provinces of the Punjab, Sind, C. P. and Orissa for the construction of additional godowns, the cost of such constructions being borne by the Central and Provincial Governments on a 50 : 50 basis. The following additional accommodation is being provided under this arrangement :—

Punjab	30,000 tons
Sind	25,000 ,,
C. P.	24,000 ,,
Orissa	15,000 ,,

The ownership of these godowns will be joint and the residual value of the assets, when they are no longer required, will also be shared by the Provincial and Central Governments on the 50 : 50 basis.

(c) *Godown for the construction of which a subsidy will be paid*

As there was acute need to provide extra storage within the Eastern States territory for their produce and as some of the States concerned were reluctant to undertake constructions on their own accord, the Government of India offered to some of the State (detailed below) a subsidy of 0-6-0 in the rupee on the cost of godowns constructed at locations and for capacities approved by the Government of India provided the godowns were completed before the 31st December, 1945

Name of State	Location	Capacity
Patna	Katabhanji	1,500 tons
Kalahandi	Kesinga	2,000 ,,
Kalahandi	Rupra Road	750 ,,
Khairagarh	Dongargarh	1,000 ,,
	Total	5,250 ,,

In addition, it has been possible to lease suitable godowns at other places notably at Karachi and Calcutta. As early as 1943 storage accommodation had to be secured at Karachi for the storage of imported foodgrains as well as the surplus production of the Punjab and Sind which had to be moved to the southern parts of India by sea. The necessary accommodation was leased from the Karachi Port Trust and other parties and this depot has at present capacity for 2,00,000 tons.

In February 1945 a Central Depot was formed at Calcutta. 70,000 tons of storage accommodation has been leased from two agents on reasonable terms and they have been appointed Storage Agents of the depot.

At Shamli in the Muzaffarnagar district of the U. P. cement khattis with capacity of about 12,000 tons of foogdrains have been leased from the owners.

Owing to the necessity for keeping a part of the central reserve at some of the important wheat centres in U. P. *e.g.*, Hapur, Meerut and Muzaffarnagar, arrangements have been entered into with the U. P. Government for keeping a part of the Central Reserve in khattis owned by the Provincial Government at these places.

Besides the godowns referred to above in which the Government of India are financially interested, the Provincial Governments, States and Administrations as well as private enterprise have been encouraged to build storage accommodation at their own cost, the Food Department arranging to secure necessary supplies of controlled materials. These materials include iron, steel, cement, etc., and todate more than 1,00,000 tons of such materials have been made available. Private enterprise has been persuaded to undertake construction of good stores and marked progress in this direction has been made in Bombay, C. P. and Bihar. All the Provincial Governments have on hand a storage construction programme. Mention in this connection may be made of the Punjab who are undertaking a scheme for the construction of bulk storage bins to accommodate 70,000 tons of foodgrains spread over some 40 important mandis in that Province.

The Technical Officers of the Storage Directorate have visited almost all parts of the country and given advice to the officers and others of the Provincial and State Governments about correct methods of storage on the spot. To demonstrate to them correct and hygienic methods of storage and conservation of foodgrains a training class was held in November 1944 at Delhi at which many representatives from Provinces and States were present. A similar training course was held in November 1945 also attended by more than 100 representatives from various parts of the country. A manual entitled 'The Principles of Cereal Storage' prepared by Dr. F. P. Coyne, who was the first Director of Storage, has been made available to the public at a nominal price which contains practical advice to the layman about the proper conditions and methods of grain storage.

The value of propaganda to inculcate correct ideas of grain storage in the public mind has not been overlooked. Radio talks on the subject and propaganda through the press have been arranged. A film entitled 'Save the Nation's Food' is also under preparation. Attempts are also being made to ultilise the services of the Boy Scouts Organization in the campaign for proper storage.

The experimental side of the work has also been steadily pursued. Experiments to test the insecticidal value of the two new chemicals DDT and 666 against stored grain pests have been arranged in consultation with the Department of Agriculture and the Provincial and State Governments and the possibility of putting into general use these chemicals under Indian conditions is being explored. Work is also in progress on the best and safest methods of fumigating and recovering infested foodgrains.

Although hostilities have terminated the storage problem in India will continue to be of vital importance for a long time and can only be said to be satisfactorily solved when the present enormous wastage of foodgrains is prevented. Whatever storage accommodation has been newly constructed is merely a fraction of what is required in India. The exigencies of the situation created by the war demanded immediate constructions at ports and surplus areas but it cannot be said that all the accommodation required even at these places has been provided. A great deal has also to be done to improve the existing storage conditions in surplus areas, in mandis, in deficit areas as well as the cultivators' stores Apart from such improvements, the importance of the hygienic maintenance of godowns, elementary knowledge about stored grain pests and the seriousness of the damage that they cause, have to be brought home to all concerned in the handling of grain. This is by no means an easy task and will require sustained efforts and attention over a long period. Countries like America and Australia have made great strides in this direction as they have looked upon this problem as one of national importance even during normal times and India must profit by their experience.

F. *Sugar and Salt*

(1) *Sugar.*—The total production of sugar during 1944-45 (1st December, 1944 to 30th November, 1945) amounted to 9·72 lakhs tons. In addition, a carry-over of 1,60,000 tons from 1943-44 production and 30,000 tons *khandsari* were available for allotment during the above period. After meeting demands for the Defence Services, exports, industrial requirements and carry-over, a quantity of 9,63,350 tons was allotted to various provinces and States for civilian consumption. The production of factory sugar during the current year (1945-46) is estimated at 11,14,400 tons which is 1,44,000 tons more than last year. The increase will be shared by U. P. and Bihar—1,00,000 tons by U. P. and 40,000 tons by Bihar. A quantity of 15,000 tons *khandsari* sugar is also expected to be available from the U. P. The final position regarding production will not, however, be known until the end of March. In the meantime, after meeting the usual demands for Defence Services, exports, industrial requirements and carry-over, a provisional allotment of sugar (including *khandsari*) amounting to 10,29,900 tons has been made to various provinces and States for civilian consumption during the year 1945-46. This increased allotment over that of last year has been possible owing to an estimated increase in sugar production and of about 50 per cent. reduction in the Defence Services' requirements.

The ex-factory price of Standard D 24 quality sugar, *viz.*, Rs. 16-4-0 per maund remains unchanged except in the case of Bengal where the sugar factories have been allowed an extra price of Rs. 3 per maund to meet the higher cost of production due to conditions created by the war.

In order to secure maximum production of sugar, it has also been decided to encourage gur refineries in the U. P. and Bihar to manufacture sugar by refining cane gur. To enable the manufactures to do so without incurring a loss, the price of D 24 quality sugar produced by gur refineries has been fixed at Rs. 22-13-0 per maund till the end of October 1946.

The Sugar Panel set up by the Planning and Development Department has recently submitted its report in draft regarding the development of the sugar industry in the next five years. This is under examination. In the meantime, action has been taken with the concurrence of the

Planning and Development Department to recommend to the Chief Controller of Imports suitable applications for import of machinery and to the Examiner of Capital Issues applications for issue of capital.

(2) *Gur.*—A total surplus of 424,120 tons gur is estimated to be available during 1945-46 in U. P., Bihar, N. W. F. P. and Madras (U. P. 295,000, N. W. F. P. 72,000 and Madras 56,720 tons) and has been allotted to deficit provinces and States.

To enable our merchants to establish connections with the Middle East countries a small quota of gur is proposed to be allotted for export to Iran and the Persian Gulf Shiekhdoms.

(3) *Salt.*—The supply position has been generally satisfactory. Bengal has become overstocked with salt—their present stocks being equal to six months, requirements. Fresh imports have therefore been discontinued for some time. Other parts of India are being supplied from internal sources. Wartime controls over distribution are being examined with a view to their relaxation.

G. *Edible Oils and Oil Seeds*

As a result of an increase in peoples' purchasing power and shortage of ghee and kerosene due to wartime conditions there has arisen a general shortage of oils and fats in the country and this shortage has been accentuated in particular areas, particularly in Eastern India. There has also been an increase in the demand of oilcake as manure. Another development has been the very large expansion of the milling industry mainly in seed producing areas like the U. P.

All provinces have at one time or another instituted various degrees of control over seed, oil and cake. The U. P. imposed an elaborate control on these items as the agricultural economy of that Province is so mixed that control over foodgrains must go hand in hand with control over oil seeds. In Bengal the position became so acute that the Provincial Government had to resort to individual rationing of mustard oil in Calcutta. A planned distribution of mustard seed and oil from the U. P. to Bengal, Bihar and Assam had also to be made. Similarly in the case of ground nut and oil from Southern India, an *ad hoc* distribution plan for export and internal consumption was drawn up. This, however, sufficed to meet local difficulties only partially and it has become increasingly clear that control over oil seeds, oil and cake on an all-India basis is essential. Collection of information necessary for this purpose is already in hand and the policy as to what form such control should take and how far it should go is now actively engaging the attention of the Food Department. The Food Department propose to make a distribution of oil seeds and oil on a proper co-ordinated plan with a view to securing a fair distribution of edible oils and proper utilisation of the milling capacity. In such a plan due regard will also have to be paid to the needs of different areas for oil cake in consultation with the Department of Agriculture. It is not proposed to disturb normal trade, but the idea is to bring it under effective Government control.

H. *Command Co-ordination Committees for Foodstuffs*

The Command Co-ordination Committees continue to do useful work in their own limited sphere of co-ordinating Army purchases. After the cessation of hostilities the important question before the Co-ordination Committees, both in the Commands and at the Centre, has been how to meet the needs of deficit areas satisfactorily. The question of the future of these Committees was considered in consultation with the War Deprtment who have agreed that the work done by these Committees should now be gradually taken over by civil organisations provided the Army was represented on any organisation set up and the Army demands were promptly and adequately met. Accordingly, provincial and State governments were addressed and their views invited as to what form future control over perishable commodities should take and how co-ordination should be brought about. While replies from a few governments are still awaited the majority are in favour of utilising existing Regional Food Commissioners, Organisations, in some form as the co-ordinating body in regard to allocations. The whole question of the future of controls and co-ordination of provincial policies in respect of fresh and protective foods is actively engaging the attention of the Food Department and decisions will soon be taken.

I. *Imports and Exports*

1. *Import.*—The full quota of 11,00,000 tons of foodgrains promised by His Majesty's Government for the period October 1943 to December 1944 arrived by 25th May 1945.

For the period from January 1945 to December 1945 a total quantity of 7,60,000 tons of wheat was promised by His Majesty's Government. Out of this quantity 621,364 tons has already been received and the balance is expected to arrive by the end of February 1946.

In addition to the above quantity of wheat, a quota of 75,000 tons of rice from Burma was allotted for the last quarter of 1945, the whole of which has been received. Negotiations regarding the import quota for 1946 are still in progress. The Government of India have urged upon His Majesty's Government with all the emphasis at their command, the necessity of allocating to this country quotas of foodgrains on a scale sufficient to meet the present difficult supply position arising out of crop failures in various parts of the country. Sir Robert Hutchings, Secretary to the Government of India in the Department of Food, has been deputed to the United Kingdom and U. S. A. to place India's case before the London Food Council and the Combined food Board, Washington.

2. *Exports.*—The ban on export of foodgrains outside India still continues.

J. Deputation of Technical Experts to United Kingdom and United States of America

Dr. B. C. Guha, Chief Technical Adviser, and Mr. M. L. Khanna, Technical Adviser, returned from deputation from U. K. and U. S. A. in March 1945 after investigating methods of food technology with particular reference to dehydration, refrigeration, canning, etc. They have submitted a report on this subject with their own recommendations regarding future development of food technology in India. The report is being printed for distribution.

K. Technical Panel

The Technical Panel of the Food Department which has been set up with a number of eminent Indian scientists representing different aspects of food and food industries has met twice during the year and has formed the following seven committees :—

1. Food Processing Committee.
2. Edible Oils and Fats Committee.
3. Vitamin Technology and Food Fortification Committee.
4. Food Standards Committee.
5. Entomological Committee.
6. Alcoholic Beverages Committee.
7. Microbiological Committee.

All the above Committees except the last have already met and made their recommendations. The Food Processing Committee set up a Sub-Committee to consider the reconversion of existing fruit and vegetable dehydration factories to peace time uses.

L. Production of Food Yeast

Food Department's report on the production of food yeast has been approved by the Planning and Development Department and is now being examined in this Department in respect of the financial and other commitments involved in establishing a factory of a 10 tons daily capacity.

M. Porcessed Foodstuffs

A laboratory has been set up in the Food Department for current analysis and investigation of processed foodstuffs. These investigations coupled with those carried out at the Peshawar Fruit Processing Factory are expected to lead to the improvement of the fruit dehydration industry in India. Research in respect of other food industries is also done on a small scale which may serve as a starting point for the Institute on Food Technology, the establishment of which has been recommended, and is being considered actively by the Planning and Development Department.

Food Department are also collaborating with the Agriculture Department to establish facilities for cold storage and refrigeration. As now envisaged the Agriculture Department will establish a chain of subsidized refrigerating centres, as a nucleus to a larger plan in respect of which information is to be obtained from the provinces.

N. Vanaspati Industry

To overcome the existing shortage and to correct the deficiency of fat in the general diet the planned development of the vanaspati industry was undertaken.

(a) *Immediate Expansion Scheme.*—For the immediate needs of the country, particularly areas where the fat consumption was low, it was decided to permit establishment of 27 vanaspati factories (18 in British India and 9 in Indian States) of a total annual capacity of approximately 1,36,500 tons keeping in view the availability of groundnuts which is the main raw material required. All the 27 factories have been assisted in obtaining controlled materials and import of plant and machinery from abroad.

(b) *Future Expansion.*—A Committee was appointed under the chairmanship of the Vegetable Oil Products Controller for India to examine and report on the scope and extent of further expansion of the industry. The Committee will also examine and report on other important questions affecting the industry.

O. Army Demands

The end of the war and the consequent demobilisation has resulted in a considerable reduction in the Defence Services demand for foodstuffs for 1946-47. This reduction has affected firstly the civilian economy for which a larger proportion of food taken previously by the Army in now released. Secondly Government schemes for production have been curtailed or terminated. Three vegetable dehydration factories, and the concommittent Vegetable Production Scheme in the U. P. have been closed down. The number of Ghee Centres and Controlled Flour Mills have been reduced from 6 to 3 and 9 to 3, respectively. The Fruit Canning Factory at Nasarpur has been leased to a private agency. Only the seven meat dehydration factories are unaffected and will probably work in 1946-47. Thirdly, and mostimportant of all, has been the effect on private food industries under contract of supply to the Army. Most important of these are the biscuit

and vegetable dehydration factories. Conferences of the representatives of both industries were held. In respect of biscuit factories, it was decided that the Central Government should make an allocation of controlled materials sufficient to assure economic production to all factories. It was also decided to allow factories to export up to 5 per cent. of their production in order to enable them to make up for the loss of the Army demand and to establish themselves in new markets. In respect of dehydration, the prospects of maintaining existing production for the civil market is poor and the owners have been advised to divert their equipment to other food production for which they have been promised due assistance. In respect of other industries, Provincial Governments have been addressed to help in converting production for the civil market. At the same time, planning and development of all food industries is being undertaken by the Food and the Agriculture Departments. Every effort is being made to capitalise the development of food industries, which the war started or enlarged. This is with a view also to conserve food, which, unless processed, is liable to be wasted in some places and seasons for want of a demand for the fresh product.

INFORMATION PROMISED IN REPLY TO QUESTIONS LAID ON THE TABLE

THE HON. SIR JWALA PRASAD SRIVASTAVA (Food Member): Sir, I lay on the table the information promised in reply to question No. 1 asked on the 15th February 1945.

Question No. 1

SELLING OF FLOUR IN BENGAL AS MANURE

Unless the locality where the sale is alleged to have taken place is indicated it is not possible to give a reply to the Hon. Member's question.

STANDING COMMITTEE FOR COMMERCE DEPARTMENT

THE HON. MR. Y. N. SUKTHANKAR (Commerce Secretary): Sir, I move: —

"That this Council do proceed to elect, in such manner as the Hon. the President may direct, three non-official members to serve on the Standing Committee to advise on subjects with which the Commerce Department is concerned."

The Motion was adopted.

THE HON. THE PRESIDENT: With reference to the Motion which has just been adopted, I have to announce that nominations will be received by the Secretary up to 3 P. M. on Tuesday, the 12th March, 1946 and the date of election, if necessary, will be announced later.

STANDING ADVISORY COMMITTEE FOR THE LABOUR DEPARTMENT

THE HON. THE PRESIDENT: With reference to the announcement made by me on the 28th February, 1946 regarding nominations to certain committees, I have to announce that the Hon. Khan Bahadur Keramat Ali has been nominated for election to serve on the Standing Advisory Committee to advise on subjects with which the Labour Department is concerned. As there is one candidate for one seat I declare him duly elected.

INSURANCE—(AMENDMENT) BILL

THE HON. MR. Y. N. SUKTHANKAR (Commerce Secretary): Sir, I beg to move:—

"That the Bill further to amend the Insurance Act, 1938, as passed by the Legislative Assembly, be taken into consideration."

Sir, this is a simple, non-controversial Bill. All such provisions as had any suspicion of controversy hanging over them have been removed from this Bill and relegated to another which will come up for consideration before this House in due course. Dealing with this Bill, Sir, I could, within my recollection think of few pieces of legislation over which so much care and thought have been bestowed by those competent to do so. You will recollect, Sir, that the Insurance Act, 1938, was last amended in a somewhat comprehensive fashion in 1941. We have had therefore nearly 5 years' experience of its working, which has revealed certain shortcomings and lacunae. Proposals were therefore got ready to remedy these defects and incorporated in a Bill which was introduced before the Autumn Session of the Assembly in 1944. I may state that this Bill in the draft form was considered more than once by the Insurance Advisory Committee and was also circulated for eliciting opinion to various insurance associations and such Chambers of Commerce as were interested in insurance matters. The Bill was referred to a Select Committee to whom all these opinions were circulated. Unfortunately, the Bill as reported by the Select Committee could not be proceeded with in the Budget Session of the Assembly and later on as the life of the Assembly expired, the Bill lapsed. Since then a fresh Bill was introduced in the other place and was again considered by a Select Committee. I therefore claim, Sir, that the Bill is a product of much care and thought and a considerable amount of consultation and discussion. As the Statement of Objects and Reasons clearly explains the purpose of the Bill and the Notes on Clauses give the grounds for various amendments, clause by clause, I do not propose to elaborate my remarks in support of the Bill. I shall only say this: that whoever studies the Bill will find that all the interests concerned —the insurer, the policy-holder, Government as represented by the Superintendent of Insurance, the insurance agent and the general public—will be considerably benefited by the Bill and will find their respective position very much improved as compared with what it it was before.

Sir, while it is true that all these diverse interests are served by the Bill, the Bill itself is guided by two principal considerations: one, how to secure the financial stability of insurance companies and secondly how to strengthen the position of the policy-holder. By way of illustration, I may refer the House to clause 8, which requires that the life insurance fund should be separately invested. It also requires that the life insurance fund should be so raised as to be equal to the liabilities arising out of the policies before an insurance company can be registered for any other business, such as fire, marine, and accident. Clause 25 provides for the assessment of the solvency of the insurance companies without taking into account the unpaid capital. Finally, clauses 3 and 29 provide for the cancellation of the registration of such insurance companies or provident societies as have delayed the payment of claims adjudicated upon by a court of law beyond a period of three months.

There are just one or two matters, Sir, to which I would like to make more than a passing reference, particularly as there has been, I understand, some misunderstanding in another place. Clause 20 seeks to amend section 39 of the Insurance Act. This section gives a very valuable privilege to the policy-holder, namely nomination of person or persons to whom the sum assured should be paid in the event of death. It was found as a result of sub-section (7) of section 39 and certain reported judicial decisions that when a policy-holder nominated his wife or children the provisions of the Married Women's Property Act were attracted. The result was that these benefits were tied up in a trust and could not be drawn upon by the policy-holder himself or by his creditors. This has led to considerable administrative difficulties and the provisions of section 39 have been more or less nullified. What I want to make clear, Sir, is that we are not rendering inoperative the provisions of the Married Women's Property Act: all we are doing is to give the power to the policy-holder to choose whether he would seek the benefit of section 39 of the Insurance Act or of section 6 of the Married Women's Property Act.

The other section that I would like to refer to is section 2 (15), which is amended by clause 2. This gives power to Government for a limited period of seven years to appoint as Superintendent of Insurance a person other than an actuary. A qualified actuary, Sir, is a flower of rare growth and is not found on every bush! Our present Superintendent, Mr. Vaidyanathan, is an eminent Actuary and it was not

without some difficulty and readiness on his part to make a financial sacrifice that we could secure his services. I would, therefore, like to take this opportunity of expressing our gratefulness to the Oriental Government Security Life Assurance Company to give the Company its full name—for sparing his services at a critical time during the war and extending his time with us at our urgent request. Mr. Vaidyanathan is due to leave us very shortly. I have known Mr. Vaidyanathan for many years. I am myself a small policy-holder of the Oriental, although I want to make it clear that my small policy is an indication of the poverty of my resources rather than the value I place on my own life! Even in those early years, Mr. Vaidyanathan filled a highly honoured and a lucrative post in the Oriental but he was always readily accessible and helpful and, though in the field of actuarial investigation perhaps cold, calculating and efficient, outside it extremely human. These were the very qualities, Sir, which he brought to bear on his work when he took up the Govermnent post and if during the last few years our efforts to place insurance business on a sound footing have met with some success it was as much due to the exercise of these qualities as to his industry, energy and tact. We shall part with him with real regret when he leaves us shortly and we wish him every success in his future career on his return to the realm of insurance.

Sir, I move.

The Motion was adopted.

Clause 2 was added to the Bill.

Clauses 3 to 9 were added to the Bill.

Clauses 10 to 20 were added to the Bill.

Clauses 21 to 31 were added to the Bill.

Clauses 32 to 48 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. Y. N. SUKTHANKAR: 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 12th March, 1946.

COUNCIL OF STATE

Tuesday, 12th March, 1946

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

MESSAGE FROM HIS EXCELLENCY THE GOVERNOR GENERAL

THE HON. THE PRESIDENT: Hon. Members, I have an important Message from His Excellency the Governor General to deliver to you. The following is the letter which I have received from His Excellency :—

"My dear Sir Maneckji,

As you are no doubt aware members of the Council of State have urged that elections for the new Council should not take place during the hot weather. I have therefore decided to extend the life of the present Council of State so as to cover any monsoon or autumn session that may be necessary. The new Council will be elected in time for the next Budget Session. It is proposed that an announcement to this effect should be made in the Assembly on the 12th March, and I should be grateful if you would inform the Council of State on the same day if you think fit.

Yours sincerely,
(Sd.) WAVELL."

So, Hon. Members will see that the life of this Council has been extended practically till December next, which many Hon. Members of this House particularly wanted, because they were afraid that it would be impossible for voters to move about during the monsoon season and therefore elections could not be carried out successfully. His Excellency has complied with Hon. Members' wishes. I may inform the House—probably some old members already know it—that this is the second time in the history of this Council within the last generation that His Excellency the Governor General has postponed elections to the Council. Originally, in 1936, the Marquess of Willingdon postponed the elections for six months, and now, for the second time, Lord Wavell has been graciously pleased to comply with the request of the Council.

STATEMENT *RE* TERMINATION OF TRADE AGREEMENT WITH SOUTH AFRICA

THE HON. DR. N. B. KHARE (Commonwealth Relations Member): May I crave your permission to make a statement to the House today, before you begin the business of the day, on a very important matter which is agitating the country ?

THE HON. THE PRESIDENT: Yes.

THE HON. DR. N. B. KHARE: Sir, the House is aware of the grave uneasiness in the country caused by the proposal of the Government of the Union of South Africa to introduce new land legislation which is to make the Pegging Act permanent. I would, therefore, like to make a brief statement on the latest developments in this matter. As the House might have noted from the proceedings of the adjournment motion passed by the other House on the subject on the 4th February, our High Commissioner had been instructed to carry on certain negotiations with the Union Government. We have now had a report from our High Commissioner on the results of his discussions with the Union Government. Our main instruction to our High Commissioner was that he should urge upon the Union Government to discuss the Indian question at a conference with Indian representatives with a view to exploring some alternative settlement and that, pending the results of such a conference, the legislation should be postponed. Our High Commissioner made personal representations to the Prime Minister of the Union Government to this effect. It is with deep regret that I have to state that the Prime Minister has rejected these proposals. There is thus little doubt that the Union Government have decided to proceed with the draft Asiatic Land Tenure and Indian Representation Bill. The door seems to be banged against further negotiations.

[Dr. N. B. Khare]

The Government of India have always recorded their protest against statutory segregation of Indians and they cannot, therefore, consistently with their moral responsibility for the welfare of their nationals in the Union, acquiesce in this discriminatory legislation which will gradually relegate the large and progressive Indian population in the Union to a position of permanent inferiority. In view of the attitude of the Union Government and their decision to proceed with the legislation, the Government of India have conveyed to the Union Government a message on the 9th of this month that the Government of India now consider themselves free to take counter measures against South Africa. As such counter measures are likely to affect India's trade relations with the Union, the Government of India have also informed the Union Government that they propose to give the prescribed notice for the termination of India's trade agreement with South Africa. Formal communication of such notice is being made.

THE HON. MR. M. THIRUMALA ROW (Madras: Non-Muhammadan): On a point of information. What is the time required to give notice ?

THE HON. DR. N. B. KHARE: Three calendar months.

QUESTIONS AND ANSWERS

EMPLOYMENT OF INDIAN TROOPS IN INDONESIA

141. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Are Government aware of the intense public resentment against the employment of Indian troops in Indonesia to suppress the national aspirations of the people ?

(*b*) Did Government protest to His Majesty's Government against this action ? If not, why not ?

THE HON. MR. A. D. F. DUNDAS: (*a*) and (*b*). Sir, I would invite the attention of the Hon. Member to the debate which took place in this House on the 28th of last month, in which this question was fully discussed.

MURDER OF CAPTAIN WILLIAMS

142. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Will Government enquire and state whether it is a fact that on or about the night of 10th March, 1942, after Malaya had fallen, and Java and Sumatra were scenes of fighting, a small garrison of Indian troops stationed on Christmas Island mutinied and murdered Captain Williams, Officer Commanding the troops and his four British non-commissioned officers ?

(*b*) Will Government make a statement detailing the full facts of the incident, the number and designation of the troops, and its subsequent sequel ?

THE HON. MR. A. D. F. DUNDAS: (*a*) and (*b*). An incident of the nature outlined by the Hon. Member did occur at about that time on Christmas Island. The matter is now under investigation in South East Asia Command, so that no further details can be given.

MANUFACTURE OF MACHINERY AND CAPITAL GOODS

143. THE HON. MR. G. S. MOTILAL: Have Government any scheme for the establishment of engineering works to manufacture machinery and capital goods in India ?

LT. GENERAL THE HON. SIR THOMAS HUTTON: I invite the attention of the Hon. Member to the reply given by me to his question No. 105, on 28th February, 1946.

ISSUE OF PETROL FOR CIVIL AND MILITARY USE

144. THE HON. MR. G. S. MOTILAL: Will Government place on the table a statement showing the quantity of petrol issued during each of the last two years of war for military use including military contractors and for civilian purposes; and of petrol released during six months from June to December, 1945, for same purposes ?

NOTE.—Questions in the name of the Hon. Raja Yuveraj Singh were put by the Hon. Rai Bahadur Sri Narain Mahtha and those in the name of the Hon. Mr. G. S. Motilal by the Hon. Mr. M. Thirumala Row.

THE HON. MR. A. D. F. DUNDAS : I regret that it would not be in the public interest to give details of the amounts of petrol issued each month for military purposes, but I may say that the average monthly consumption for the year ending on the 30th of June 1944 was 13·3 million gallons per month, and for the year ending on the 30th of June 1945 it was 26 million gallons per month.

Military contractors do not in general use military petrol. I lay on the table a statement showing the amounts of petrol released for civil purposes during the two years before July 1945, and month by month from June to December of last year.

Statement showing issues of Petrol for Civil purposes

Period	*Issued in Millions of gallons*
July 1943 to June 1944	51·0
July 1944 to June 1945	64·0
Month by month from July to December 1945—	
July	5·8
August	5·7
September	5·4
October	6·1
November	5·8
December	6·2

ESTABLISHMENT OF FACTORIES BY FOREIGN CAPITALISTS

145. FLIGHT-LIEUT. THE HON. RUP CHAND : Will Government state :

(*a*) Whether any foreign business men or commercial interests have sought the permission of Government to establish industrial or commercial enterprises in India and whether any facilities have been granted by Government to foreign capitalists for establishing factories in India ;

(*b*) If the answer to (*a*) be in the affirmative ; will Government state the names of such foreign individuals or concerns ?

LT.-GENERAL THE HON. SIR THOMAS HUTTON : (*a*) and (*b*). I invite attention to part I of the statement laid on the table of the House.

It is not known whether the Hon. Member has in mind companies registered in India of which the capital is wholly or partly held by foreigners. Such companies are Indian companies under the law. Although no exact information is available, it is believed that the only companies of which the capital is held wholly or in a large part by non-Indians and which have sought to set up or expand industry in India recently are those listed in part II of the statement.

Statement

Name of firm	Nationality	Nature of business	Whether permission to issue capital in India was asked for	Whether permission to import capital goods was asked for, and if so, was it given
1	2	3	4	5
		PART I		
1. Delacy Wyant & Co., Bombay.	American	Manufacture of Zip fasteners.	No	Yes ; the application is under consideration.
2. Do.	Do.	Manufacture of fountain pens & mechanical pencils.	No	Yes ; the application is under consideration.
3. Oscar Kohorn & Co. Ltd., c/o Duncan Straiton & Co. Ltd., Bombay.	Do.	Conversion of indigenous raw material into rayon & staple fibre.	No	Permission to set up a factory with a pilot plant has been given but no application for import of the plant has been received.

PART II

1. Associated Electrical Industries (India) Ltd., Calcutta.	British .	Manufacture of electrical motors and transformers.	No . .	Yes.
2. Burmah-Shell Oil Storage & Distributing Co. of India Ltd., Bombay.	Do. .	Manufacture of candles.	No . .	Yes.
3. Aluminium Plant & Vessel Engineering Co., Calcutta.	Do. .	Manufacture of non-ferrous items of chemical and food industries.	Yes, in name of A.P.V. Engineering Co. Ltd.	Yes.
4. M/s. Sanderson Newbold & Co. (McGregor & Balford Ltd.), Calcutta.	Do. .	Manufacture of files.	No . .	Yes.
5. Swedish Match Co., Bombay.	Swedish.	Manufacture of wall boards.	Yes; in name of Indian Wallboard Industries Ltd.	Yes; the application is under consideration.

INCREASE OF ELECTED MEMBERS IN THE COUNCIL OF STATE

146. FLIGHT-LIEUT. THE HON. RUP CHAND: Will Government state:

(*a*) Whether it is the intention of the Government of India to make a representation to His Majesty's Government urging an adequate representation of the elected members of the Council of State on the proposed body which will frame a future constitution for India?

(*b*) Whether any communication has been addressed to His Majesty's Government regarding the representation to be accorded to the various parties and interests in India on the proposed Constituent Assembly?

THE HON. SIR MAHOMED USMAN: (*a*) and (*b*). The Government's intentions are indicated in His Excellency the Viceroy's statement of the 19th September last and in his address to the Legislative Assembly on the 28th January. The exact plans for the composition and programme of the Constitution-making Body will depend upon the discussions which His Excellency will hold with British Indian and States representatives after the Provincial elections. I regret I am unable to give any reply to the Hon. Member's question at this stage.

HIGH DENOMINATION BANK NOTES

147. FLIGHT-LIEUT. THE HON. RUP CHAND: Will Government state:

(*a*) The total amount of high denomination bank notes exchanged by the various banks in India for notes of a smaller denomination after the promulgation of the Demonetization Ordinance of January 12, 1946?

(*b*) Whether the objects of Government in issuing the Ordinance has been achieved?

(*c*) The number of black-marketeers and tax-evaders traced as a result of the recent Government campaign?

THE HON. SIR CYRIL JONES: (*a*) Rs. 120·08 crores upto the 9th February 1946.

(*b*) and (*c*). Pending the results of the scrutiny of the declaration forms it will be premature to attempt an appreciation of the position. Government are, however, satisfied with the progress so far made.

THE HON. MR. M. THIRUMALA ROW: Are Government satisfied that they were able to draw out the expected amount from these high denomination notes?

THE HON. SIR CYRIL JONES : I regret I am unable to understand the question.

AMOUNT OF SUBSIDY PAID TO THE ASSOCIATED PRESS OF INDIA

148. FLIGHT-LIEUT. THE HON. RUP CHAND : Will Government state :

(*a*) The amount of subsidy paid by Government to the Associated Press of India News Agency and the facilities granted to it ?

(*b*) Whether Government are aware that the Lahore Branch of the Associated Press of India circulates news items which are Muslim League propaganda and that the messages sent out by this agency from Lahore are often anti-Congress and pro-Muslim League ?

(*c*) What action do Government propose to take in the matter ?

LIEUT.-GENERAL THE HON. SIR THOMAS HUTTON : (*a*) Nil.

(*b*) This asks for an expression of opinion.

(*c*) Does not arise.

TELEPHONE AND TELEGRAPH LINES BETWEEN CALCUTTA AND KUNMING

149. THE HON. RAJA YUVERAJ DUTTA SINGH : Is it a fact that telephone and telegraph lines have been opened between Calcutta and Kunming in China, about 1,750 miles long ? If so, what is the total cost and how much of the expenditure has been shared by the different Governments concerned ?

THE HON. MR. A. D. F. DUNDAS : Yes, Sir, the United States Forces did construct such lines, but they started to close them down last October and the last section, between Chabua and Calcutta, ceased to operate on the 15th of last month.

The total cost of the lines is not known but none of the expenditure was borne by the Government of India.

VIRAMGAM CUSTOMS CORDON

150. THE HON. RAJA YUVERAJ DUTTA SINGH : (*a*) Is it a fact that the Viramgam Customs Cordon was originally imposed to prevent goods imported at the ports of Kathiawar from entering British India without paying customs duty ? What is the volume of foreign trade at Kathiawar ports now ?

(*b*) Are Government aware that Hindu pilgrims from all parts of India visit Dwarka and Girnar in Junagarh ; Jains from all over India come to Shatrunjaya in Palitana ; and Muslims also visit Junagarh as a place of pilgrimage, all situated in Kathiawar ?

(*c*) Will Government state what specific steps have been taken to remove the hardships of the British Indian subjects at Viramgam Customs Cordon ?

THE HON. SIR CYRIL JONES : The Hon. Member's attention is drawn to the replies given by me on the 12th April 1945 to an almost identical question asked by him on that occasion.

(*a*) Yes.

The volume of imports of foreign trade at the Kathiawar ports is—

Rs. 124 lakhs for the year 1942-43 ;

Rs. 120 lakhs for the year 1943-44 ;

Rs. 54 lakhs for the first ten months in 1944-45 (the figures for later months not being available).

(*b*) Yes.

(*c*) The following steps to remove the hardships of passengers (whether British Indian subjects or not) at Viramgam Customs Cordon have been taken, *viz.* :—

(*i*) Certain alterations and additions to the remodelled platform for facilitating examination of passengers and their baggage have been carried out ;

(*ii*) Lighting arrangements on the platform have been improved ;

(*iii*) The roofs which used to cover the greater part of the platform have been provided with weather boards to give protection to passengers against sun and rain ;

(*iv*) It is also proposed to extend the roof to the whole length and to provide a dust-proof surface over the whole length of the platform as soon as materials are available ;

(*v*) Additional staff has been sanctioned to examine the passengers' baggage expeditiously and no efforts are spared by the staff to facilitate the examination of passengers and their baggage both ways.

STATEMENT OF MR. WILL CLAYTON REGARDING TRADE WITH INDIA

151. THE HON. RAJA YUVERAJ DUTTA SINGH : (*a*) Has the attention of Government been drawn to the following statement of the Assistant Secretary of State, U. S. A., Mr. Will Clayton, on or about the 14th July that " the United States would seek a speedy end of British exchange controls restricting American trade with India, and other nations on the Sterling bloc pool ; " and " I agree something must be done soon to open further trade channels with India " ? (*Vide* the *Hindustan Times*, dated the 16th July 1945, Dak edition.)

(*b*) Are Government in receipt of proposals on this subject ; if so, what are these proposals in their concrete form and what steps do they propose to take in this regard ?

THE HON. SIR CYRIL JONES : (*a*) The Government have seen the statement referred to in a press message from Washington.

(*b*) No, Sir.

THE HON. MR. M. THIRUMALA ROW : Have Government received any formal communication from the United States Government or the British Government that these exchange controls should be removed ?

THE HON. SIR CYRIL JONES : No, Sir.

THE HON. MR. M. THIRUMALA ROW : Do Government propose to create greater facilities for trade between India and America by removing these present handicaps ?

THE HON. SIR CYRIL JONES : The Hon. Member is aware, Sir, that sterling balances discussions will take place shortly, as a result of which it is hoped that a portion of the sterling balances will be released in multilateral convertible currency, *i.e.*, in the form of free currency available for expenditure on current transactions anywhere in the world.

THE HON. MR. M. THIRUMALA ROW : Is it hoped that the participation of India in the International Monetary Fund will facilitate free entry ?

THE HON. SIR CYRIL JONES : Undoubtedly, Sir.

REFUSAL OF TRAVELLING FACILITIES TO PANDIT JAWAHARLAL NEHRU TO VISIT INDONESIA

152. THE HON. RAJA YUVERAJ DUTTA SINGH : Will Government state why facilities for travel to Indonesia were refused to Pandit Jawaharlal Nehru ?

THE HON. SIR MAHOMED USMAN : The refusal to afford facilities for Pandit Jawaharlal Nehru to visit Indonesia was made with the agreement of the Supreme Allied Commander in view of the disturbed conditions prevailing there, which made undesirable the presence of any one not engaged in a task of military necessity.

ALLEGED DESTRUCTION OF VARIOUS ARTICLES BY AMERICAN TROOPS WHEN LEAVING ASSAM

153. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Is it a fact that under Government orders restrictions against leaving anything behind in Assam by the United States forces on the eve of their departure after the termination of the war were imposed as a result of which the United States medical supplies and equipment were destroyed rather than allow the Indians to benefit by them, chemicals and drugs were buried under ground, and surgical instruments, United States direct current generators, about 6,000 airmen's Swiss Watches, glasses were destroyed ?

(*b*) Are Government aware that the American columnist Paul Mallon in his widely syndicated column claims that there is " objective, direct and probable evidence " of the acts noted in (*a*) ?

(*c*) Will Government make a detailed statement on the subject and ask Paul Mallon to produce evidence in support of his allegations ?

THE HON. MR. M. W. M. YEATTS: (*a*) No, Sir.

(*b*) No, Sir.

(*c*) Does not arise.

REFUSAL TO OBEY ORDERS BY SOME MEMBERS OF THE R. A. F.

154. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Is it a fact that some members of the R. A. F. Unit in Central India refused to obey orders, if so, what action, if any, was taken to deal with the situation ?

(*b*) Is it a fact that the Commanding Officer in charge had called in armed Indian troops with armoured cars in effort to break the strike organised by the R. A. F. unit as a protest against daily full dress parade, and the kind of food given to them ?

(*c*) At what place in Central India, or elsewhere was this Unit located, and when did this trouble arise ?

(*d*) Will Government make a statement detailing the full facts of this episode, and the steps taken in that connection ?

THE HON. MR. A. D. F DUNDAS: (*a*) to (*d*). I lay a statement on the table.

Statement

The facts of the case are as follows :—

The R.A.F. Officer Commanding at Jodhpur ordered a ceremonial parade to be held at 8 A.M. on Saturday the 13th of October last. Instead of attending the parade, the men of the two maintenance units there proceeded to their working area. Thereupon the Commanding Officer asked for detachment of the Jodhpur State Forces to stand by, and sent for 12 airmen to voice the grievances of the men, which they did in an orderly manner. These grievances were connected with release from service, food and what the men considered unnecessary parades of a disciplinary nature.

2. On the following day the Air Officer Commanding, No. 226 Group, addressed the men, and after pointing out the seriousness of their action, undertook to represent their complaint about delay over release in the proper quarter. He also gave instructions in respect of improvements in messing and arrangements for parades.

3. The detachment of the State Forces was called in only to augment the normal guard for the protection of public property. They naturally carried some rifles, but only such as would be necessary for normal use by night sentries.

4. Armoured cars equipped with wireless but without weapons arrived by mistake and were sent away immediately. It was not necessary to use any force, as the airmen were quiet and orderly throughout, stating that they had no mutinous intent but felt bound to draw urgent attention to their complaints. Normal work was resumed on Monday morning.

COTTON AND OTHER TEXTILES

155. THE HON. MR. G. S. MOTILAL : What is the future plan for cotton and other textile goods, how much will be taken by Government and how much allowed to be exported during the next two years ?

THE HON. MR. M. W. M. YEATTS : As regards cotton textiles, the 1946 quota for Defence requirements is 250 million yards. That is all that will be taken by Government. The estimated Defence requirement for 1947 is 110 million yards. The export quota of cotton textiles for the current half-year is 250 million yards. Government has not yet decided how much will be exported in the second half of this year or in 1947. India's total production of cotton textiles at present is about 6,200 million yards, including handloom production. As regards woollen textiles, India's productive capacity is about 27 million pounds a year. Defence requirements for 1946 are about 1 million pounds. Exports of woollen goods are not allowed. As regards silk textiles, there are no Defence requirements and no exports.

NUMBER OF PERSONS WITH INCOMES OF RS. 3,000 ASSESSED TO INCOME-TAX

156. THE HON. MR. G. S. MOTILAL : What is the number of persons who were assessed to income-tax during last three years on an income not exceeding Rs. 3,000 ?

THE HON. SIR CYRIL JONES : The number assessed in 1942-43, 1943-44 and 1944-45 was 153,901, 161,764 and 170,109 respectively.

CORRIDOR THROUGH MADRAS PRESIDENCY

*157. THE HON. RAJA YUVERAJ DUTTA SINGH : Is it a fact that a proposal has been made to Government for the transfer, out of British India, of about one hundred mile corridor through Madras Presidency, up to the Bay of Bengal and that this transfer of territory is under consideration ? If so, will Government make a full statement on the subject ?

THE HON. THE PRESIDENT : Question No. 157.

(Nobody got up to reply.)

THE HON. SIR MAHOMED USMAN : I am sorry, Sir. I do not know how this question was missed. I think this question may be asked on the next day.

PROFIT MADE BY SOUTH AFRICA FROM GOLD SALES TO GOVERNMENT

158. THE HON. MR. SURPUT SINGH : Will Government state :

(*a*) Whether their attention has been drawn to the item of news published in recent newspapers to the effect that the South African Union has made a profit of 1½ crores of rupees in the year 1945 from the sale of gold to the Government of India ?

(*b*) If the answer is in affirmative, what was the quantity of gold brought in that year ?

(*c*) The rate per ounce at which the gold was bought ?

(*d*) Whether between June, 1940 and September, 1945, from such transactions of gold the Union Government has made a profit of about Rs. 16 crores ?

(*e*) The total quantity purchased by the Indian Government during these years ?

(*f*) The rate per ounce at which such gold was purchased ?

(*g*) Whether dealings in gold are preferred with the South African Union to other gold producing countries ?

(*h*) If not, what other countries are also selected. ?

* This question was answered on 20th March, 1946.

THE HON. SIR CYRIL JONES : (*a*) Yes.

(*b*) The Government of India have not purchased any gold from the South African Union.

(*c*) Does not arise.

(*d*) The Government of India have no information.

(*e*) The Government of India have not purchased any gold during the years mentioned.

(*f*) to (*h*) Do not arise.

THE HON. SIR SHANTIDAS ASKURAN : I would like to know whether you tried to buy and you were refused or you wanted not to buy.

THE HON. SIR CYRIL JONES : What I said was that the Government of India have not bought any gold from the South African Union.

THE HON. SIR SHANTIDAS ASKURAN : I wanted to know whether you tried and you were refused or whether you wanted not to buy.

THE HON. SIR CYRIL JONES : I think it is a generally recognised principle that communications between Governments, if any, are confidential.

WITHDRAWAL OF CONTROL OVER CEMENT

159. THE HON. RAI BAHADUR S. K. DAS : Will Government state :

(*a*) Whether they propose to withdraw state control of cement supply in view of the fact that the war has ended and there is a complete stoppage of works connected with the war ?

(*b*) If the answer is in the negative ; will they state the reason for the continuance of such control ?

THE HON. MR. M. W. M. YEATTS : (*a*) Yes, Sir. Control over the distribution of cement supply will be abolished shortly.

(*b*) Does not arise.

APPOINTMENT OF DEMOBILISED PERSONNEL

160. FLIGHT-LIEUT. THE HON. RUP CHAND : Will Government state :

(*a*) Whether it is the policy of the War Department not to demobilize persons with distinguished military services. In case such persons have to be demobilized, do Government propose to provide them alternative opportunities for service in the various Government Departments ?

(*b*) Whether it is a fact that Lt. Param Jit Singh Bhar, RINVR., who was wounded in naval action on the Arakan coast on October 7, 1944, is now being asked to resign from military service and is being offered an allowance of Rs. 40 or Rs. 50 per month ?

(*c*) Whether it is a fact that after treatment in hospital his physical disability is now a minor one and that he is still fit for administrative service on the shore ?

(*d*) In case he is found not quite upto the mark for service in the Navy as a result of the injury, do Government propose to offer him some other suitable superior post consistent with his record of service, his ability and qualifications ?

(*e*) Whether it is a fact that Government have provided suitable posts to other such persons ; if so, the reason why special consideration is not being shown to Lt. Param Jit Singh ?

THE HON. MR. A. D. F. DUNDAS : (*a*) No, Sir. The order in which persons are demobilised is based on a combination of age and length of service. Arrangements have been made to help ex-servicemen of all ranks to obtain suitable civil employment for which they are qualified.

It would not be possible to provide in Departments employment for all the very large numbers to be demobilised. Details of vacancies in Departments in the Government of India which have been reserved for War Service candidates have been published to the Services in pamphlets, and all individuals who are qualified may apply.

(*b*) No, Sir. Lieut. P. J. Singh Bhar, RINVR, who was wounded in the Naval action on the Arakan coast on October 7, 1944, will continue to serve in the RIN, as he has been confirmed as a Deferred Volunteer.

(*c*) Yes, Sir. Lieut. P. J. Singh Bhar, RINVR, is at present fit for sedentary duties ashore and he is being employed in Bombay until such time as he is medically reboarded, in order that his final fitness category may be decided.

(*d*) Not necessarily, Sir. If Lieut. P. J. Singh Bhar, RINVR, is found, after the final medical Board, to be suffering from a permanent disability as the result of his wounds, he will be eligible for a pension and if otherwise eligible will be able to compete for posts open to him.

(*e*) No, Sir. It is not the policy of Government to provide suitable posts for persons, but to select suitable candidates for vacancies.

RACIAL DISCRIMINATION IN THE R. I. A. F.

161. FLIGHT-LIEUT. THE HON. RUP CHAND : Will Government state :

(*a*) Whether it is a fact that a large number of Indian airmen asked for discharge from service after the war ; if so, the reasons therefor ?

(*b*) Whether Government are aware that there is great discontent among the R. I. A. F. as a result of racial discrimination, inferior treatment by the " Sister service ", lower pay and allowance ?

(*c*) Whether it is a fact that the R. I. A. F. Airmen are not granted the same travelling facilities as the R. A. F. Airmen ; if so, what are the reasons for this ?

(*d*) Whether it is a fact that amenities provided for R. I. A. F. men in barracks are inadequate and compare unfavourably with the amenities provided to R. A. F. men, especially when they are posted at the same station ?

THE HON. MR. A. D. F. DUNDAS : (*a*) to (*d*). Yes, Sir. Government are aware of the fact that there is discontent in the Royal Indian Air Force leading many airmen to apply for discharge. One of the reasons for this discontent is the desire for the same pay and conditions of service as the British Other Ranks of the R. A. F. It is not possible to pay the I. O. R. at the same rate as the B. O. R. just as it is not possible to pay the British Air Force at the same rate as the American Air Force without affecting the whole economic structure of the country and creating similar demands in every branch of Government service.

NUMBER OF PILOTS IN THE R. I. A. F.

162. FLIGHT-LIEUT. THE HON. RUP CHAND : Will Government state :

(*a*) The total number of persons who joined the R. I. A. F. during the war as pilots ;

(*b*) The number of such pilots who have been given permanent commissions and the reasons why a majority of them have not been given permanent commissions ?

(*c*) Whether it is a fact that the claims of a person who won the D. F. C. have been rejected for a permanent commission ?

THE HON. MR. A. D. F. DUNDAS : (*a*) 2,376. This number includes casualties, resignations, terminations, releases, those who failed to qualify and those still under training. Out of 2,376 only 645 qualified as pilots and of these 534 are still serving in the General Duties (Flying) Branch of the R. I. A. F.

(*b*) Government has already announced its decision to grant 90 permanent R. I. A. F. commissions at once. Of these, 72 have already been granted. It is Government's intention to grant a certain limited number of permanent commissions in addition to the 90 already announced. It must, however, be remembered that

there are good reasons why too many permanent commissions in Air Force should not be given. The main reasons are the necessity to create as large as possible a Reserve of pilots by means of Short Service Commissions, the necessity of providing a proper *career* for the permanent cadre; and the fact that the actual flying years of an officer are very limited which means that an Air Force must consist mainly of young officers.

(*c*) Certain applicants who have been awarded the D. F. C. have not, so far, been granted permanent commissions. The award of a decoration cannot be regarded as providing a prescriptive right to appointment. Applicants are assessed on their qualities as an officer and on their flying ability, and it is always possible that an officer decorated for an act of gallantry may not possess all the qualities of an officer or the flying ability sufficient to attain the high standard set for permanent officers of the R. I. A. F.

PAUCITY OF INDIAN GROUP CAPTAINS IN THE R. I. A. F.

163. FLIGHT-LIEUT. THE HON. RUP CHAND: Will Government state:

(*a*) Whether it is a fact that R. I. A. F. has Indian Wing Commanders of nearly four years seniority?

(*b*) Whether it is a fact that there is not a single Indian Group Captain, if so, the reasons why such senior posts have been withheld from Indian officers who have displayed great courage during active service in the war and have shown that, given opportunities, they are as good as British officers and prove to be excellent leaders?

THE HON. MR. A. D. F. DUNDAS: (*a*) It is not a fact that the R. I. A. F. has Indian Wing Commanders of nearly four years seniority. Seniority, in wartime is based on temporary rank and the two senior Indian Wing Commanders in the R. I. A. F. hold that rank from 1943 and 1944 only.

(*b*) No R. I. A. F. officers have, so far, been promoted to the rank of Group Captain, but promotion cannot be regarded as having been withheld since, to date, there have been no posts in that rank established in the R. I. A. F. and since no officer has any long seniority as a Wing-Commander. Planning for the post-war re-organisation of the Air Forces in India, is however, at present in progress, and includes among other things consideration of posts in senior ranks to be filled by officers of the R. I. A. F.

PROMOTION OF BRITISH OFFICERS IN AIR HEADQUARTERS

164. FLIGHT-LIEUT. THE HON. RUP CHAND: Will Government state:

(*a*) Whether it is a fact that every year and sometimes twice a year, a new specialist British Officer at A. H. Q. takes over as commanding officer, without having any previous experience of R. I. A. F. work and problems?

(*b*) Whether it is a fact that generally key posts at A. H. Q. are given to British Officers and comparatively unimportant positions are given to Indians and whether it is also a fact that Indianisation of superior services in the R. I. A. F. is slow?

THE HON. MR. A. D. F. DUNDAS: (*a*) It is presumed that it is the post of Air Officer-Commanding-in-Chief which is referred to. The normal tenure of this post is 3 years but the war and, in particular, the setting up of South East Asia Command have necessitated more frequent changes in the incumbent of the post than were desirable, in the interests of the Royal Indian Air Force. Government are aware of the desirability of ensuring that the officer selected as A. O. C.-in-C. should have some previous experience of the R. I. A. F. and its problems and should serve a sufficient period of years to preserve continuity. With the return of peacetime conditions, they hope that greater continuity will be achieved.

(*b*) No, Sir. It is not a fact. Indeed, the policy of Government is to employ Indian officers in staff appointments at Air H. Qs. to the maximum extent possible. At present, the limiting factor is that the Royal Indian Air Force is a young service and has expanded rapidly. There are therefore very few officers with sufficient service and experience to fill key posts at Air H. Qs., and many of these are required to fill posts in the 10 R. I. A. F. Squadrons. There are, however, at present 3 posts

of W/Cdr. at Air H. Qs. held by R. I. A. F. officers together with a considerable number of other appointments. The number of higher posts will be increased as R. I. A. F. officers with suitable service and experience become available. The last part of the question is based on a misconception as the R. I. A. F. is a wholly Indian Service.

THE HON. PANDIT HIRDAY NATH KUNZRU : May I ask what is the total number of officers in the Air Headquarters and how many Indians there are in the A. H. Q. ?

THE HON. MR. A. D. F. DUNDAS : I regret I have not got that information with me, but I can supply it to the Hon. Member afterwards if he desires.

RATIO OF PURCHASE-PRICE OF OLD AIRCRAFTS TO NEW AIRCRAFTS

165. FLIGHT-LIEUT. THE HON. RUP CHAND : Will Government state: Whether the Government of India propose to pay for old aircrafts which are brought from other theatres of war ; if so, what is the ratio of their price to the price of new aircrafts ?

THE HON. MR. M. W. M. YEATTS : No old aircraft are being brought from other theatres of War. The second part of the question, therefore, does not arise.

SHORT NOTICE QUESTIONS AND ANSWERS.

VISIT OF SOUTH AFRICAN INDIAN DELEGATION

166. THE HON. MR. M. THIRUMALA ROW : (*a*) Have Government been apprised of the fact that a deputation of South African Indian Congress is shortly visiting Delhi ?

(*b*) If so, has the Hon. Member for Commonwealth Relations given his consideration to the grievances that the deputation is expected to put before him ?

(*c*) What steps have Government taken or propose to take to give immediate redress to the disabilities of South African Indians ?

(*d*) Do Government of India propose applying economic sanctions against the South African Government ?

(*e*) Will the Hon. Member recall the High Commissioner for India as a protest against the proposed action of the South African Government ?

THE HON. MR. M. THIRUMALA ROW : Sir, I do not propose to put Question No. 166 standing in my name to the Commonwealth Relations Department in view of the statement made by the Hon. Member already.

REPATRIATION OF INDIAN TROOPS FROM INDONESIA

167. THE HON. MR. M. THIRUMALA ROW : (*a*) Has the attention of Government been drawn to a piece of news recently published that nothing is known in Indonesia regarding the repatriation of Indian troops stationed there ?

(*b*) Will Government state in what stage is the matter of bringing back Indian troops now stationed in Indonesia in fulfilment of the statement made by His Excellency the Commander-in-Chief recently on the floor of the House ?

THE HON. MR. A. D. F. DUNDAS : (*a*) and (*b*). I have seen the news item referred to by the Hon. Member but I am happy to state that it has now been contradicted and I would invite the attention of the Hon. Member to the article which appeared on the front page of the *Statesman* yesterday, saying, the process of withdrawal of troops from Indonesia has begun.

THE HON. MR. M. THIRUMALA ROW : It is not customary to refer to newspapers. I did not see the *Statesman*. I want a reply from the Hon. Member.

THE HON. MR. A. D. F. DUNDAS : The process of withdrawal of troops from Indonesia has begun, Sir.

RESOLUTION *RE* RECRUITMENT OF INDIANS TO THE INDIAN CIVIL SERVICE AND INDIAN POLICE

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : Mr. President, I beg to move :—

" This Council recommends to the Governor General in Council that immediate steps should be taken to stop the recruitment of non-Indians to the I.C.S. and the Indian Police."

Sir, the importance attached by Indians to the Indianisation of the Indian Civil Service is well-known. The question of appointment of Indians in the Indian Civil Service was the first question that engaged the attention of Indian leaders. If I were to deal with the matter historically, I could go back to the sixties when attention began to be directed to the necessity of urging His Majesty's Government to enable Indians to be recruited to the I. C. S., but it is not necessary for my present purpose to go back so far. I think it will be enough if I begin with the Montagu-Chelmsford reforms because this House is functioning at present under the constitution that was brought into being in 1921. Up to that time the proportion of Indians in the I. C. S. had been very small. It was then recognised that in view of the policy laid down by His Majesty's Government in 1917 it was necessary that the entry of Indians into the Indian Civil Service should be facilitated so that by the time they assumed responsibility for running their own Government the superior Services might be in Indian hands. Mr. Montagu laid down, I think in 1919, that 33 per cent of the annual vacancies should be given to Indians. The Montagu-Chelmsford reforms came into operation in 1921. They had not been in operation for even three years when a Commission known as the Lee Commission was appointed to consider the question of British and Indian recruitment to the superior Services. There was a great deal of dissatisfaction among the British members of these Services with their pay and allowances. This Commission recommended that Indians and Britishers should be recruited directly to the I. C. S. in equal proportions. Its exact proposal was that if there were 100 vacancies 20 should be filled up by promoted provincial service men and that the remaining 80 vacancies should be filled up in equal proportions by directly chosen British and Indian recruits. This system, Sir, was in operation when the Government of India Act, 1935, was passed. It was expected when the Round Table Conference was considering the various questions connected with the amendment of the existing Constitution that the position with regard to the recruitment of Indians to the superior Services would undergo an appreciable change. The Services Sub-Committee of the Round Table Conference recommended, and I think every Indian agreed with this view, that the authority responsible for the recruitment of the superior Services should no longer be the Secretary of State and that the power till then exercised by the Secretary of State should be transferred to the Government of India, but, notwithstanding the agreement among Indians on this question, the British Government turned down this proposal and decided that the Secretary of State should continue to be the recruiting authority as he had been till then. Again, Sir, the proportion of Indians to be recruited annually to the Services with which my Resolution deals was not increased. It was suggested in the White Paper on the proposed constitutional changes that within five years of the functioning of Part III of the new Act a Committee should be appointed to enquire into the system of recruitment that would be desirable in the future and that the Governments in India should be associated with this enquiry. The Joint Parliamentary Committee however rejected this proposal and it gave the following reason for not viewing with favour the proposal contained in the White Paper on Reforms :—

"The functions performed by members of these two Services, that is the Indian Civil Service and the Indian Police, are so essential to the general administration of the country and the need, therefore, for maintaining the supply of recruits, European and Indian, of the highest quality is so vital to the stability of the new constitution itself, that we could not view without great apprehension an abrupt change in the system of recruitment for these two services simultaneously with the introduction of fundamental changes in the system of Government. It is of the first importance that in the early days of the new order, and indeed until the course of events in the future can be more clearly foreseen, the new constitution should not be exposed to risk and hazard by a radical change in the system which has for so many generations produced men of the right calibre".

[Pandit Hirday Nath Kunzru.]

Sir, had we had no materials before us except the report of the Joint Parliamentary Committee we might have thought that an increase in the proportion of Indians to be recruited to the I.C.S. was a very serious matter at a time when a far-reaching change was being made in respect of constitutional matters, but we know that just before the introduction of the Montagu-Chelmsford Reforms, Mr. Montagu greatly increased the proportion of Indians to be recruited annually to the I.C.S. This change came into force a year before the new constitution began to function. We are not aware that Mr. Montagu's action had any adverse effect on the operation of the Montagu-Chelmsford constitution. Indeed, looking back at that period, every one of us must realise that but for the change introduced by Mr. Montagu but for the increased recruitment of Indians to the superior services in 1921, the discontent with the existing constitution would have been much greater than it was. I have already said that the authors of the Montagu-Chelmsford reforms recognised that it was necessary to increase the number of Indians in responsible positions because there was a correlation between constitutional development and the participation of Indians in the carrying on of the new Government.

But, Sir, in defiance of this experience and utterly contrary to the facts before us we were told by the Joint Select Committee that it would be a hazardous task to alter the proportions in which Britishers and Indians were recruited to the I.C.S. along with a change in the constitution.

[At this stage the Hon. the President vacated the Chair, which was taken by the Hon. Sir David Devadoss.]

I have already drawn the attention of the House to the fact that the Montagu-Chelmsford constitution had not been in operation for even three years when the Lee Commission was appointed to consider the question of recruitment to the superior services and that it recommended with regard to the I.C.S. that 20 per cent. of the vacancies should be reserved for promoted provincial civil service men and that the remaining 80 per cent should be divided equally between British and Indian candidates. This shows notmerely that the share of Indians in the annual recruitment to the I.C.S. was substantially increased in 1919, just at the time when the new constitution was to come into force, but that it was further raised before it had been worked for three years. The result of the attitude taken up by His Majesty's Government on the recommendation made by the Joint Select Committee was that recruitment to the I.C.S. continued unaltered and that the provision suggested by His Majesty's Government for an inquiry into the system of recruitment to the I.C.S. and the I. P. was not included in the Act of the constitution. The Committee expressed the view that an inquiry might be made five years after the new constitution had been in force, but it deprecated fixing any date by which such inquiry must be made.

Sir, Britishers and Indians have continued to be recruited to the I.C.S. up to the present time in accordance with the proportions to which I have already drawn the attention of the House. I think that the House will agree that the time has come when the past decision should be reviewed and a radical departure made from the attitude taken up in 1935.

Recruitment to the I.C.S. was partially stopped in 1941, and completely stopped in 1943. It was then said that after the war the vacancies that would have to remain unfilled because of the decision of His Majesty's Government to discontinue recruitment both in England and India would be filled by war service candidates, and we are told that if a departure were made from the terms of the announcement it would amount to a brech of promise on the part of His Majesty's Government. The pamphlet entitled "Civil appointments in India and Burma" states the position as follows :—

"In order that young men joining His Majesty's forces might not be at a disadvantage as regards their chances of eventually being appointed to these services, it was made clear, when the suspensions of recruitment were announced, that the vacancies which would consequently remain unfilled would eventually be filled from among candidates with approved war service".

It further emphasises the point in the following words:—

"So far as the filling of such vacancies is concerned, the undertaking given when recruitment was partially suspended in March 1941 that young men joining His Majesty's forces would be afforded substantially the same opportunity to enter these services after the war was over as they possessed at that time requires that the ratio of British and Indian recruits, and the reservation of minorities in respect of the latter, should be the same as they were before the war, due allowance being made for those recruited since the outbreak of hostilities".

The Hon. the Home Member, replying a few days ago to a question in another place, said:—

"An undertaking was given that recruitment would be carried out on the basis of pre-war ratios as between British and Indian recruits in accordance with which recruits would have entered the Service but for the war. Withdrawal of vacancies from Europeans would be regarded as a breach of this undertaking".

It is this position which we are up against. I am sure there is no Indian in this House who does not think that the argument urged by His Majesty's Government is the weakest that they could bring forward. Since recruitment was partially suspended in 1941 or since it was completely stopped in 1943, many things have happened in this country which should have been taken into consideration by Government and which would have compelled them to revise their opinion and adopt the course which I am recommending in my Resolution. There was first the Cripps' Declaration of 1942 which came after the partial suspension of recruitment to the I.C.S. in 1941, and since 1943 two announcements of policy on behalf of His Majesty's Government have been made by the Governor General. All these proposals envisage the transfer of complete responsibility to Indian hands. Let us hope, Sir, that all of us will have the wisdom to combine amongst ourselves when the Cabinet Mission comes here so that India might, within the course of a few weeks or months, be master of its own destiny. But, whatever the course of constitutional negotiations might be, it is obvious that at a time like this, it is highly inexpedient—it is almost giving proof to the Indian people of the insincerity of the British Government—that recruitment should be continued on the old pattern. We have been given two reasons for sticking to the pre-war proportions and continuing to recruit Britishers to the I.C.S. and I.P. One is that an undertaking was given by His Majesty's Government that the existing system would be continued, and the other is that this implied that recruitment would be made in the existing proportions. I want to ask a few questions with regard to this matter. When recruitment to the I.C.S. was completely suspended in 1943, did His Majesty's Government also give an implied undertaking to the new recruits that the existing system of Government would continue unchanged? Surely, the intention of the British Government now is to bring about speedy constitutional changes in this country That changes the entire aspect of the Indian problem and knowing reasonable British young men as we all do, it is impossible for any one of us to believe that they could have charged the British Government with want of faith had the Government announced that under the new circumstances they had come to the conclusion that it was necessary to discontinue British recruitment to these Services we are now dealing with.

Again, Sir, we have been told that the recruitment of Britishers to the I.C.S. would, in no way prejudice the power of the National Government to deal in any way with the newly appointed men. We are told that the conditions under which recruitment would take place are such as to be consistent with any constitutional changes that might occur in the country in the immediate future. It has undoubtedly been provided that the services of the men now to be recruited by the Secretary of State might be terminated on account of constitutional changes, but this is not enough, as I shall show in a minute. For the moment I want to point out that when recruitment was suspended in 1943, no British young man who might have been inclined but for the suspension of recruitment to offer himself for recruitment to the I.C.S. could have thought that the conditions under which he would enter the Civil Service would be so radically changed that the new Government might terminate his services whenever it liked. If the British Government are anxious about keeping the promise that they made to British young men, how is it that they have asked them to be prepared to leave the service when they are required to do so by the Indian Government? Is this consistent with the promise

[Pandit Hirday Nath Kunzru.]

which they made in 1943? If it is not, it is nothing but sheer hypocrisy on their part to say that they have to stick to the terms of the announcement made in 1943 lest they should be regarded as having been guilty of violating a solemn undertaking given by them.

Now, Sir, as regards the argument that the proposed recruitment would be inconsistent with the new constitutional changes, the we are told that the men who are now recruited would not be entitled to remain in service for the usual term. It has been provided that the services of the men now being appointed by the Secretary of State might be terminated at any time. But let us see what the terms offered to the candidates in cases of compulsory retirement are. If a man has served, say, for five years and he retires voluntarily, he will get a grant of £1,500 only. But if his services are terminated by the new Government, then he will receive a grant of £4,000; and so on till we come to men who have served for 25 years or over and who will in either case receive a grant of £15,000. Now, Sir, the conditions relating to the grant show that His Majesty's Government do not want these men to retire. They have practically said to these young men "Stick to the service as long as you can. You will lose nothing but gain a great deal by doing so, for if you stick to your posts, you will get at least a higher grant than you would you retired if voluntarily. The intention therefore seems to me clearly to retain the men now recruited in the Indian Civil Service as long as it is possible. Again, it is clear that if the Britishers who are going to be recruited to the I.C.S. now—I think their number will be 122—are to be retired, the grants that will have to be made to them will throw an appreciable burden on the Indian exchequer. Further, if Indians were appointed now, they would gain valuable experience by the time a new Government controlled the affairs of this country. We are being deprived of all these advantages on the ground that the British Government must carry out the solemn promise which they gave in 1943 and that the conditions attached to the recruitment are such that it will be within the power of the new Government to deal with the new recruits in any manner it might think fit. Sir, I do not wish to labour the question further. But I think that what I have said is sufficient to show that the British Government at least in the recent past have exhibited the maximum of unwillingness to Indianise the Indian Civil Service and the Indian Police. They have used all manner of arguments in order to keep a strong British element in these services. We can understand the attitude. We cannot for a moment accept the argument advanced by the Joint Select Committee; I regard it as utterly insincere. The real reason is that the British Government, not having been prepared to part with complete power or with substantial power, wanted that it should retain adequate authority, constitutional and executive, at every stage to control the administration of the country. If in spite of the declarations that have been made this is still its point of view, it must blame itself if Indians refuse to take its promises seriously. But if it has really altered its standpoint and is prepared to make Indians responsible for the management of their own affairs, then it is their bounden duty to set aside all the excuses that they are urging now for the continuance of British rule in India and Indianise the services I may say to reassure the minorities that if we Indianise the services, we shall do no injustice to any Indian community, because recruitment to them will continue in the same manner as recruitment to the vacancies available to Indians is being made now. The minorities will have their proper share.

12 NOON.

THE HON. MR. HOSSAIN IMAM: Due share.

THE HON. PANDIT HIRDAY NATH KUNZRU: The share that they have now. There is no intention of interfering with it. It is clear therefore that no injustice will be done to any Minority community if the proposition that I am urging is accepted. But if what the British Government desire is to look after the interests of their own boys, then undoubtedly the present system cannot be altered.

Sir, I do not wish to say much with regard to the Indian Police, because the arguments that I have urged with regard to the I.C.S. apply equally to the Indian Police. Mr. Montagu decided in 1919 that except in the North-West Frontier Province and Burma 33 per cent. of the annual vacancies in the Indian Police should

be given to Indians. The Lee Commission made a substantial change in this by recommending that out of every 100 vacancies 20 should be given to men promoted from the Provincial Police Service and the remaining 80 posts shared between the British and Indian recruits in the proportion of 50 to 30. This proportion has, I understand from my Hon. friend Mr. Porter, been altered from 50—30 to 50—44. That is, that the vacancies for which direct recruitment is to be made are to be filled up by Britishers and Indians in the proportion of 50 Britishers to 44 Indians. The terms under which recruitment is to take place to the Indian Police Service are in all essential respects the same as those which apply to the I.C.S. except that the grants to be made to the men who retire voluntarily or are made to retire is smaller in the case of the Indian Police.

Sir, before I sit down, I should like to address an inquiry to my Hon. friend Mr. Porter. I asked him to let me know what was the sanctioned strength of the cadre of the I.C.S. and the I. P. and he has been good enough to inform me this morning that the sanctioned strength of the I.C.S. cadre is 1,064 and of the I. P. cadre 631.

Now I find, Sir, from the figures which he was good enough to supply to me a few days ago that the present strength of the Indian Civil Service is 1,022 that is only slightly below the sanctioned strength which is 1,064. The present strength of the Indian Police is 559 as against the sanctioned strength of 631. Now, if recruitment is to take place as desired by His Majesty's Government, that is if 95 Indians and 122 Britishers are to be recruited to the I.C.S. and 44 Indians and 75 Britishers to the I.P. the strength of the I.C.S. would amount to 1,239 and that of the Indian Police to 678. In view of the information supplied to me by my Hon. friend, Mr. Porter, with regard to the sanctioned strength of the I.C.S. and I.P. I am unable to understand why the recruitment to the I.C.S. and the I.P. should be made to such an extent that their strength might be greater than the sanctioned cadre. I do not know whether I have correctly understood the implications of the figures supplied by my Hon. friend but this is a matter on which all of us, I am sure, would like him to throw some light.

With these words, Sir, I move the Resolution that stands in my name. I hope, Sir, that Government will even at this late stage be prepared to revise their decision. They have thrown the responsibility for the refusal to discontinue the recruitment of Britishers to the Indian Civil Service and the Indian Police on the Secretary of State, but I think that the Secretary of State has acted only in accordance with the recommendations made by the Government of India. I think it was made practically plain by the Hon. the Home Member in reply to the question to which I have already referred. The Secretary of State has taken his present action, I am sure, only after consulting the Government of India and his present decision is, we may all be sure, due to the insistence either of the Governor General or of the Home Department or of the Governor General in Council on having as many Britishers recruited to these two Services as possible before the new constitutional changes are carried into effect. If the Government of India are still prepared to change their mind I am sure that they will be able to persuade the Secretary of State to depart from the decision that he has already taken and give satisfaction to this country by announcing that in future recruitment to the two Services to which my Resolution relates would be made entirely in this country. (*Applause.*)

THE HON. RAI BAHADUR SRI NARAIN MAHTHA (Bihar : Non-Muhammadan) : Mr. Chairman, Sir, it appears now in the year 1946 somewhat surprising and certainly irritating to a large extent that we should have to rise up and prove our case with regard to our getting the full share of the appointments here in our own country. Before the last war, whenever a demand was made for filling up the higher ranks of the military services by Indianizing those services, a common and cheap plea was generally trotted out that men of the requisite standard were not available in India. When the war came on we found that men in thousands were recruited and they filled those posts of high responsibility with real courage and their work was duly appreciated. It should be too late in the day now to put forward the plea of paucity of Indian talent to fill the I. C. S. and the I. P. ranks to their fullest capacity.

[Rai Bahadur Sri Narain Mahtha]

Sir, I would like to refer briefly to the pamphlet "Civil appointments in India and Burma" for bringing out two points. I would like to draw the attention of the members of this House to a foot-note on page 2 of this pamphlet. This pamphlet mainly indicates that the Services—the Indian Civil Service and the Indian Police Service—are to go 50 : 50 to Indians and Europeans. It is interesting to note in this pamphlet, however, that it not only makes room for the recruitment of Britishers, but that it provides for the recruitment of "European candidates", and this term is explained in the communique of the Secretary of State for India as meaning this :

"The terms 'European candidates' and 'Indian candidates' are used in this leaflet to denote candidates of European descent and of non-Asiatic domicile and candidates of Indian descent and Indian domicile respectively".

Sir, the implication is clear. The reason why the term "European candidates" is used, is because they have occasionally to bring in here in India a New Zealander, an Australian, a South African. In this way, this country has to be kept continually reminded of its humiliating position in the British empire. In a reciprocal position acceptable to a New Zealander, an Australian, a South African, not to speak of the British who is a sanctified person ?

I shall now turn, Sir, to the terms and conditions offered, to which Dr. Kunzru referred, regarding the new recruits who may choose to retire voluntarily or be retired on Government orders after they have served here for a number of years. It is difficult to understand why any compensation has to be offered to any man who retires voluntarily. He is going to enter the Service today with a mind open, and and with the fullest knowledge that big constitutional changes are going to come in India. He knows it. He knows it through the proclamations of the British Government. It is, therefore, very difficult to understand why these people should be told that even if they chose to retire voluntarily they would get heavy compensations on retirement. Then, Sir, this pamphlet, as I read it, is a direct inducement to anybody coming into service to keep his face turned away from his own employer. If the members of the I. C. S. or the I. P. start working as Fifth columnists and try to sabotage the efforts of the future Government of India what has that Government to do ? Pay them a reward for it and ask them to go away ? It is very strange indeed, and I should think that this is an entirely pernicious scheme which tries to introduce a virus ; it tries to give an incentive by the promise of a reward to disloyalty on the part of those entering the service of the country and expected to serve the future Government of this country. The chief characteristic of a permanent service is that it must be non-political ready to take order from any government in office.

Sir, I shall now deal with the Resolution as it stands. I look upon this Resolution as putting forward a very old, outstanding demand, although it does so in the new setting of approaching events here in India. Within the coming months, and perhaps with the arrival in India of the expected Cabinet Mission, we are asked to believe that England having already come to the decision will make a clear, unequivocal statement regarding Indian independence. That, from our side, we believe, is the only way in which England can settle her account with history. If what most of us hope is really contemplated, it would be surprising if England would not earn a great deal of Indian friendship, confidence and alliance if the Government of India accepted without hesitation proposals of the kind suggested in this Resolution. Through the process of the Government of India doing so, they will be creating the much desired atmosphere of trust in the genuineness of the intentions of England.

Sir, this Resolution cannot be assailed on its broad merits, nor can it be said that the proposal contained in it is not one of the most important pre-requisites to Indian emancipation from outside domination. The Indian Civil Service and the Indian Police Service are the two most important branches of civil administration. We have certainly reached a stage when we cannot wait for the slow, gradual or watchful Indianization which has been going on for some time. The personnel of the two services as they stand today is already such as will take years for the foreign element in them to be liquidated. We cannot afford to lengthen this process by continuing to appoint non-Indians in these services any longer. The increasing proportion of Indians

in the I.C.S. and I.P.S. ranks cannot continue by its present slow process, and will not, if it did so, satisfy the natural desire of the people of India to come into their own without any justifiable delay. Nor could we tolerate with equanimity the designs of the Government of India to retain these seats of power in British hands, particularly at a stage when a definite transfer of power is contemplated. The two positions are incompatible.

Finally, Sir, what is clearly the Indian demand? It is this that India must have these Indian services not only in name but also in fact. We Indians have never expressed any abhorrence or repulsion against having foreign experts, but all the same, so far as the administrative side of our government is concerned, we must have an Indian Civil Service and an Indian Police Service which is factually Indian and not merely Indian on paper. This is really one of those Resolutions which puts governments bonafides to test.

With these words, I support the Resolution moved by my Hon. friend Pandit Kunzru.

THE HON. MR. M. THIRUMALA ROW (Madras: Non-Muhammadan): Mr. Chairman, I rise to support the Resolution moved by my Hon. friend Pandit Kunzru. The absence of so many of the members of the Civil Service from the Government benches, I take it, is tacit consent to the Resolution—a willingness on their part to pass an order of self-immolation which will result from the immediate acceptance of the Resolution. The Resolution is part and parcel of a larger problem, the complete establishment of Indian independence. The Cabinet Mission that is going to come here soon to negotiate an arrangement with the people of India, so that power can be transferred to the people with the least possible delay and with the least possible friction, should have made our rulers ready for the consummation. But I do not see any such readiness on the part of the officers who are placed in positions of responsibility. Replying to a debate which took place in the other House recently Sir John Thorne has said that "whether the practice was right or wrong is another matter, but the stoppage of European recruitment would have been a departure from established practice, and the time—this undertaking was given in 1941—was certainly not the time when any departure from established practice could reasonably be expected". That was on an adjournment motion which was strictly confined to fresh recruitment. But this is a Resolution which defines the policy of stopping recruitment for ever of non-Indians to the I. C. S. and the I. P. Sir John Thorne could not reconcile himself to the position which is fast coming upon him and his Government in spite of their wishes, whether they like it or not. The I. C. S. should completely change its present complexion and composition and should be a real national service.

Sir, this is a pamphlet which has given remarkable scope for discussion and controversy. It is an inducement, a dishonest inducement, for a large number of British boys who have participated in the war to come to India and join the service, stay on for five years, and then take £1,500 and get out. If they stay on for another year, they get another £500. That is to say, for a period of six years of service they get £2,000. From the very beginning the Indian Civil Service has been reared in these traditions. Apart from questions of efficiency and service, the idea of exploitation has been there from the very beginning of the service. I would like to refer to two or three passages from an instructive and interesting book "The I. C. S." by Sir Edward Blunt, who has traced the origin of the I.C.S. to the formation of the East India Company:—

"The day of a Company's servant began with prayers at 6 a.m."

He was more God-fearing in those days, perhaps.

"The morning was spent in business; dinner followed at noon, followed by a period of rest ...which after fifteen courses, was doubtless needed".

In those days, Company servants were not only having full enjoyment, but were also having little work.

"In the afternoon only the juniors returned to office: the seniors took their ease in some garden, assisted by a jug of wine or a bowl of punch".

[Mr. M. Thirumala Row]

And then, for petty mistakes they were imposing fines :—

"For being absent at the time of shutting the gates	40*s.*
For neglecting to go to prayers on weekdays	2*s.* 6*d.*
For every oath	1*s.*"

I think we can get a large amount of money from soldiers if we start collecting in this way at the rate of one shilling, or even one penny, an oath.

"For drunkenness	2*s.* 6*d.*"

It was considered a vice in those days. Perhaps, after a long period of stay here as rulers, it has become a great virtue nowadays. That was the origin of the I. C. S. in those early days. In those days recruitment was an inducement. All the uneducated sons of the aristocracy who were found to be do-nothings and good-for-nothings were dumped on India. Here is an interesting paragraph :—

"The names of fifty-six of these also appear in a list of Bengal civilians of the same period and no less than 170 times. That list includes one peer, nineteen sons of peers, twelve baronets and a protege of the royal personage aforesaid, one Treves. The character of the service changed : it was now filled with men who 'had no recommendation but their high birth and great interest and no object in going to India except to make a maximum of money in the minimum of time.'."

THE HON. MR. HOSSAIN IMAM : In what year was that ?

THE HON. MR. M. THIRUMALA ROW : That was in the year 1806. Afterwards they thought that all these profligates did no good business and they were spoiling the reputation of their country. Therefore they wanted to establish a College, which is the origin of the training of the present I. C. S.

"The object of this establishment ", says the prospectus of 1806, "is to provide a supply of persons duly qualified to discharge the various and important duties required from the civil servants of the Company in administering the government, in India".

The College achieved its object !

In those days, a civilian job was very much prized by the mothers and daughters of these estimable gentlemen. In the vernacular there is a proverb that an elephant, while it is alive, is worth Rs. 1,000 and when it is dead it is also worth Rs. 1,000. So, also a civilian was worth, dead or alive, £300 a year. This is what this book says:—

"All civil servants again, whether married or unmarried, subscribed to a family pension scheme, by which widows received £300 a year—which is why the civilian, in the calculations of mothers with marriageable daughters, was regarded as 'worth £300 a year, dead or alive'."

But nowadays prices have gone up much and they are worth much more, whether here or abroad.

"Those who would learn what the life of a civilian was like during this period cannot do better than consult a book called *Curry and Rice, on forty Plates*. On three of these 'plates' are portrayed the judge, the magistrate, and the joint magistrate. Turmeric, the judge, is 'right at the top of the social tree'. He has been 'parboiling in India' for thirty-two years; and his judicial soul is saturated with appeals, criminal cases, decrees, circular orders, and the like. His ambition is to get into council. In private life he is hospitable to a degree and very musical".

THE HON. SIR, MAHOMED USMAN (Leader of the House) : Mr. Chairman, is all this relevant ? After all, we have to get on with the business.

MR. CHAIRMAN (the Hon. Sir David Devadoss) : If he wants to utilise his time in that way, let him do so.

THE HON. SIR MAHOMED USMAN : When his time is over he must be stopped. It requires guts.

MR. CHAIRMAN (the Hon. Sir David Devadoss) : That is my duty. He is only entertaining you all.

THE HON. MR. M. THIRUMALA ROW : It is an irony of fate that the Hon. the Leader of the House is an example in guts.

THE HON. SIR MAHOMED USMAN: All that I want is that the question before the House should be discussed.

THE HON. MR. M. THIRUMALA ROW: I submit, Sir, that it is a reflection on the Chair to tell you that you have no guts. You might object to my reading out extracts. I am reading all this in the hope——

MR. CHAIRMAN (the Hon. Sir David Devadoss): I will give you 15 minutes. You can utilise it in any way.

THE HON. PANDIT HIRDAY NATH KUNZRU: We must all protest against the statement made by the Hon. the Leader of the House. It is a reflection on the Chair.

THE HON. SIR MAHOMED USMAN: I did not make any reflection on the Chair. I can assure you that.

THE HON. PANDIT HIRDAY NATH KUNZRU: We cannot allow this reflection to pass unnoticed.

THE HON. MR. M. THIRUMALA ROW: Sir, I simply wanted to show the position of the I.C.S. But there is a more serious picture which you get from a book called "Tory M. P." I will not read from it.

MR. CHAIRMAN (the Hon. Sir David Devadoss): You confine yourself to the Resolution.

THE HON. MR. M. THIRUMALA ROW: I want the British element in the I.C.S. to go because they are the agents of British Imperialism in India. They are the agents of the British merchant class and the British exploiter in India. Parliament exercises control. They man all the offices like the Secretary of State for India, the Under Secretary of State for India and their agents, and these people here are their relatives and their proteges. Every agent who has come out to India has been working for British commercial interests. I tell you, the proprietor of Sunbeam motor cars, was the father-in-law of Lord Willingdon. Lady Willingdon they say did good business in selling Sunbeam cars. Everybody knows that Lady Willingdon was a canvassing agent for Sunbeam cars. Lord Linlithgow goes and joins the Board of Directors of the I. C. I. What was the history of Lord Reading? He was the successor to the Marconi Cable Company. This book says:—

"The authors of Imperialism.... are the managers of trading, production, manufacturing, shipping companies, etc., and of corporations who control and invest the nation's accumulated savings; they may even be members of cabinets and heads of states".

They are heads of Provinces and States in this country. Therefore, this element must go. We can negotiate with their experts. We can negotiate and bring them if and when necessary. But we cannot maintain this service at this high cost and to the detriment of the development of this country. You must have guts. There is no use of talking of guts. One requires guts to sell the country. That is what is exhibited in some quarters. With these words, Sir, I support the Resolution.

THE HON. MR. V. V. KALIKAR (Central Provinces: General): Sir, the Resolution moved by my Hon. friend Dr. Kunzru is on the principle underlying which has been discussed in this House and in the other House so many times. I know that His Majesty's Government has consistently and persistently and—if I use the word obstinately I hope it is not unparliamentary—obstinately ignored the demand of India to man her own services for a very, very long time. We discussed the Resolution of my Hon. friend Mr. Sapru in 1941, and my Resolution was discussed in November, 1944. Then, a third Resolution by Mr. Sapru was discussed in the Budget session of last year. Various arguments were put forward for ignoring our demand in this respect. One of the grounds put forward by the then Home Secretary, Mr. Conran-Smith, was that you cannot divorce these service conditions from the constitutional changes. I shall just read what he said on that occasion. In opposing the Resolution of my Hon. friend Mr. Sapru, he said:

"You cannot divorce service conditions from the constitution of which they must form an integral part".

That was an argument advanced by him at that time. I do not know what argument my Hon. friend Mr. Porter is advancing this time. But I submit, Sir, that if

[Mr. V. V. Kalikar]

there was any sense in that argument, then certainly the Government of India should not have come forward with the plea advanced in the other place by the Hon. the Home Member, and that is, that they want to keep up the terms which they have given to British youths and therefore they must advise the Secretary of State to continue the recruitment of British young men for the I.C.S. and the I.P.S. Sir, in speaking on this Resolution I must make it perfectly clear that I am not in any way dealing with this point because I have got some hatred for British young men or for the British members of the Indian Civil Service or the British members of the Indian Police Service. I have got my best friends in them and I have highest regard for their ability, for their character, for their discipline. But I stand here to defend the principle which has been ignored consistently for such a long time. Now, Sir, if you think that these services, the conditions of the services, the control of the services and the structure of the services, is a matter to be determined by the Government, and you have declared in unequivocal language that we are going to have within a very short time a new Government, you have absolutely no face whatsoever to foist these services upon us now. You must tell the Secretary of State straightaway that as a new constitution is going to be introduced soon and the new Government will come into existence after the constitution is introduced, that Government has a right and will decide about the conditions of the services, about the organisation of the services, about the structure of the services. Sir, a lame argument has been put forward—an absolutely weak case I believe—by the Hon. the Home Member in the other House about the terms given to British youths for entering these services. As my friend said just now, the Secretary of State has stated that if the new constitution comes into force immediately and if the new Government does not desire the services of these British youths, they will be asked to go away. All right. But at whose cost ? At our cost. The Indian exchequer will have to bear the burden of a very large sum for paying them and asking them to go back to England. Why then deceive the British youths ? Why put forward before them a proposal like that, that you will be asked after some time by the new Government to go away and that you will be given such and such sum. Why don't you care for the future career of your own young men there ? It is no use asking them to enter the services and at the same time telling them that the new Government may not perhaps like your services and you will have to go back and you will be paid such and such amount from the Indian exchequer. It is no use dangling these terms before them. Be frank to them, be frank to yourself and be frank to the Indian nation. You have trotted out arguments several times. If I were to read all those arguments time will not be sufficient. I do not want to take the time of the House by reading the statements and the arguments put forward by the Home Secretary and the Home Member on these questions so many times. If those arguments are to be taken into consideration, you have absolutely no case now, because the new Government is coming soon. You talk of efficiency. Have you any standard of efficiency ? You have changed the system of getting efficient candidates into these services. Practically from 1935 I believe the standard of testing the qualifications of these boys has been changed. Further after 1935 you wanted to retain the ratio and therefore you adopted the method of selection. From 1941-43 you have adopted for 2 years the method of nomination. After that the Government of India issued a communique. And on that communique I had tabled a Resolution in this House in the November Session of 1944. In that communique you had decided that war service boys who were not even graduates of English Universities should man the affairs of our districts and provinces. Where is the test of efficiency now ? You are going to thrust ordinary people under this scheme to rule over us. I do not believe that you are really serious about this test of efficiency. My point is that as you find a new Government is coming and as you yourself have admitted in the past debates that it is an integral part of the constitution that the services should be controlled by the new Government, then it is your bounden duty now to stop recruitment to these services and keep the matter free and open before the new Government. If the new Government wants that British youths are absolutely necessary for managing the services of India, they can send for your youths. If the new Government thinks that their services are not required and that they can

find suitable and qualified young men in India to man their services, but they want experts from Britain, they can send for experts. But do not tie the hands of the new Government by bringing this scheme into operation. By bringing this scheme into operation not only you tie the hands of the new Government, but you deceive your own people. I therefore heartily support the Resolution moved by my Hon. friend.

FLT.-LIEUT. THE HON. RUP CHAND (Punjab : Non-Muhammadan) : Sir, I rise to give my support to the Resolution so ably moved by my friend the Hon. Dr. Kunzru.

Sir, we are on the threshold of a new constitution, constitutional reforms have been promised and it has been categorically stated that a Government having the confidence of the nation will soon be placed in power. The recruitment of non-Indians to these services is thus meaningless at a time when the country has attained political manhood. It is imperative that the rains of administration should be in the hands of Indians.

I am greatly surprised to learn that 200 non-Indians have recently been recruited to the superior services and provision has been made for the additional recruitment of 24 non-Indians every year. It is indeed regrettable that a National Government should be committed to any line of action which may involve the payment of lakhs of rupees as compensation in case they decide to terminate the services of the non-Indian officers who have recently been recruited or are going to be recruited in the near future. The decision should be left to the National Government which we hope will be in office within a short time.

Sir, there was a time when the Government was in the habit of putting forth excuses that sufficient number of suitably qualified Indian officers for the Indian Army were not available. All these were believed when the real test came during the last war and the quality and worth of Indians have been acknowledged by everyone all over the world. Indians have filled the highest of posts with distinction and eminence and competent persons with requisite qualifications are to be had in abundance. If Indians could act as Members of the Viceroy's Council and as Governors of the Provinces, there is no reason why they should not be fitted to fill those posts for which they are being recruited in a much greater number. With the vast fund of experience and talent available in the country, the stoppage of non-Indian recruitment to these Services should be the first step towards the establishment of full responsible Government in India.

Sir, with these words, I support the Resolution.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY (West Bengal : Non-Muhammadan) : Sir, we on this side of the House want to do away with all recruitment of non-Indians to the Indian Civil Service and the Indian Police Service. The presence of these non-Indians has a demoralizing effect on some of our countrymen. The Hon. the Leader of the House has spoken of guts, but we all know, Sir, that many of the Members of the Executive Council have not got the guts to oppose their European subordinates who are the members of the Indian Civil Service and the Police Service even when they disagree with them.

Sir, why should there be any recruitment from non-Indians ? The old *ma-bap* theory has been exploded. Besides, these non-Indians are paid overseas allowance over and above their salaries. There is no dearth of competent Indians to fill up the posts in the Indian Civil Service and the Indian Police Service. Englishmen have been ousted from the legal profession. In Calcutta I know that a few years ago the Englishmen were the top most amongst barristers but now there is hardly any Englishman worth the name and who has got a decent practice in the Calcutta Bar. We would like these non-Indians to be ousted from the important services of this country.

With these words, Sir, I support the Resolution.

THE HON. MR. SURPUT SINGH (West Bengal : Non-Muhammadan) : Sir, the request that is made by my Hon. friend in his Resolution is quite fair and

[Mr. V. V. Kalikar]

there was any sense in that argument, then certainly the Government of India should not have come forward with the plea advanced in the other place by the Hon. the Home Member, and that is, that they want to keep up the terms which they have given to British youths and therefore they must advise the Secretary of State to continue the recruitment of British young men for the I.C.S. and the I.P.S. Sir, in speaking on this Resolution I must make it perfectly clear that I am not in any way dealing with this point because I have got some hatred for British young men or for the British members of the Indian Civil Service or the British members of the Indian Police Service. I have got my best friends in them and I have highest regard for their ability, for their character, for their discipline. But I stand here to defend the principle which has been ignored consistently for such a long time. Now, Sir, if you think that these services, the conditions of the services, the control of the services and the structure of the services, is a matter to be determined by the Government, and you have declared in unequivocal language that we are going to have within a very short time a new Government, you have absolutely no face whatsoever to foist these services upon us now. You must tell the Secretary of State straightaway that as a new constitution is going to be introduced soon and the new Government will come into existence after the constitution is introduced, that Government has a right and will decide about the conditions of the services, about the organisation of the services, about the structure of the services. Sir, a lame argument has been put forward—an absolutely weak case I believe—by the Hon. the Home Member in the other House about the terms given to British youths for entering these services. As my friend said just now, the Secretary of State has stated that if the new constitution comes into force immediately and if the new Government does not desire the services of these British youths, they will be asked to go away. All right. But at whose cost ? At our cost. The Indian exchequer will have to bear the burden of a very large sum for paying them and asking them to go back to England. Why then deceive the British youths ? Why put forward before them a proposal like that, that you will be asked after some time by the new Government to go away and that you will be given such and such sum. Why don't you care for the future career of your own young men there ? It is no use asking them to enter the services and at the same time telling them that the new Government may not perhaps like your services and you will have to go back and you will be paid such and such amount from the Indian exchequer. It is no use dangling these terms before them. Be frank to them, be frank to yourself and be frank to the Indian nation. You have trotted out arguments several times. If I were to read all those arguments time will not be sufficient. I do not want to take the time of the House by reading the statements and the arguments put forward by the Home Secretary and the Home Member on these questions so many times. If those arguments are to be taken into consideration, you have absolutely no case now, because the new Government is coming soon. You talk of efficiency. Have you any standard of efficiency ? You have changed the system of getting efficient candidates into these services. Practically from 1935 I believe the standard of testing the qualifications of these boys has been changed. Further after 1935 you wanted to retain the ratio and therefore you adopted the method of selection. From 1941-43 you have adopted for 2 years the method of nomination. After that the Government of India issued a communique. And on that communique I had tabled a Resolution in this House in the November Session of 1944. In that communique you had decided that war service boys who were not even graduates of English Universities should man the affairs of our districts and provinces. Where is the test of efficiency now ? You are going to thrust ordinary people under this scheme to rule over us. I do not believe that you are really serious about this test of efficiency. My point is that as you find a new Government is coming and as you yourself have admitted in the past debates that it is an integral part of the constitution that the services should be controlled by the new Government, then it is your bounden duty now to stop recruitment to these services and keep the matter free and open before the new Government. If the new Government wants that British youths are absolutely necessary for managing the services of India, they can send for your youths. If the new Government thinks that their services are not required and that they can

find suitable and qualified young men in India to man their services, but they want experts from Britain, they can send for experts. But do not tie the hands of the new Government by bringing this scheme into operation. By bringing this scheme into operation not only you tie the hands of the new Government, but you deceive your own people. I therefore heartily support the Resolution moved by my Hon. friend.

FLT.-LIEUT. THE HON. RUP CHAND (Punjab : Non-Muhammadan) : Sir, I rise to give my support to the Resolution so ably moved by my friend the Hon. Dr. Kunzru.

Sir, we are on the threshold of a new constitution, constitutional reforms have been promised and it has been categorically stated that a Government having the confidence of the nation will soon be placed in power. The recruitment of non-Indians to these services is thus meaningless at a time when the country has attained political manhood. It is imperative that the reins of administration should be in the hands of Indians.

I am greatly surprised to learn that 200 non-Indians have recently been recruited to the superior services and provision has been made for the additional recruitment of 24 non-Indians every year. It is indeed regrettable that a National Government should be committed to any line of action which may involve the payment of lakhs of rupees as compensation in case they decide to terminate the services of the non-Indian officers who have recently been recruited or are going to be recruited in the near future. The decision should be left to the National Government which we hope will be in office within a short time.

Sir, there was a time when the Government was in the habit of putting forth excuses that sufficient number of suitably qualified Indian officers for the Indian Army were not available. All these were believed when the real test came during the last war and the quality and worth of Indians have been acknowledged by everyone all over the world. Indians have filled the highest of posts with distinction and eminence and competent persons with requisite qualifications are to be had in abundance. If Indians could act as Members of the Viceroy's Council and as Governors of the Provinces, there is no reason why they should not be fitted to fill those posts for which they are being recruited in a much greater number. With the vast fund of experience and talent available in the country, the stoppage of non-Indian recruitment to these Services should be the first step towards the establishment of full responsible Government in India.

Sir, with these words, I support the Resolution.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY (West Bengal : Non-Muhammadan) : Sir, we on this side of the House want to do away with all recruitment of non-Indians to the Indian Civil Service and the Indian Police Service. The presence of these non-Indians has a demoralizing effect on some of our countrymen. The Hon. the Leader of the House has spoken of guts, but we all know, Sir, that many of the Members of the Executive Council have not got the guts to oppose their European subordinates who are the members of the Indian Civil Service and the Police Service even when they disagree with them.

Sir, why should there be any recruitment from non-Indians ? The old *ma-bap* theory has been exploded. Besides, these non-Indians are paid overseas allowance over and above their salaries. There is no dearth of competent Indians to fill up the posts in the Indian Civil Service and the Indian Police Service. Englishmen have been ousted from the legal profession. In Calcutta I know that a few years ago the Englishmen were the top most amongst barristers but now there is hardly any Englishman worth the name and who has got a decent practice in the Calcutta Bar. We would like these non-Indians to be ousted from the important services of this country.

With these words, Sir, I support the Resolution.

THE HON. MR. SURPUT SINGH (West Bengal : Non-Muhammadan) : Sir, the request that is made by my Hon. friend in his Resolution is quite fair and

[Mr. Surput Singh]

reasonable in all conscience. The Government wants to recruit anon a certain percentage of Europeans in the I. C. S. and the I. P. S. and they give out as their reasons that owing to some earlier commitments made during the war, such appointments were necessary and needed to be made, and that if such appointments of Europeans were not made forthwith, the efficiency of the present services would materially suffer. Sir, I do not understand for a moment the implications of such a statement. A new Constitution is admittedly in the offing. Radical changes are coming on in the political field. Consequently there is bound to be a lot of changes in the framework of the present administration. Who knows we may then, like the Egyptians, have to lay down a law that certain percentage of the employees even in foreign private concerns here must be onethird Indians and that ninety per cent of labour in those concerns must also be Indians and that a high percentage of capital must be Indian-owned. In a like manner we may have to stop recruitment of European personnel altogether in the superior Services for some years to come in order to bring about a retrenchment in the bloated European services draining away such a heavy amount from our limited resources as well as to gradually Indianize our services. Therefore, the attitude of the Government in sticking to their pet scheme against popular demand is rather inexplicable, especially when they are giving out that far-reaching political changes are imminent. Why should they not give the Indian people a chance to set their house in order by not being committed to anything before hand ? I say, therefore, that the proposed appointments should be held over for the present, notwithstanding the so-called commitments of the Government, because it is patent that when once the appointments are made we shall not easily be able to cancel them during the contracted period of the service-holders, although it is now said that that will be for five years only for the present with the proposed constitutional changes dangling before the eyes of the appointees. Further it will be difficult for the appointees to shake off their outlook, interest and loyalty if they are to continue in a different regime, and then we may have to pay quite big sums to the new entrants by way of compensation to make them leave us. I believe the heavens will not come down upon us if we stay that project for the present. The present excess number of Secretaries, Deputy Secretaries, Assistant Secretaries and Additional Assistant Secretaries who have been filling the Central Government services can be easily spared now and sent to the provinces to make up the deficiencies that may have arisen there.

With these words, Sir, I beg to support the motion.

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 Hon. Mr. M. N. Dalal in the Chair.

THE HON. MR. N. K. DAS (Orissa : Non-Muhammadan) : Sir, I rise to support the Resolution so ably moved by the Leader of my Party, Pandit Kunzru. In supporting the Resolution I would like to invite the attention of the House to what has been argued in the case of these recruitments. It has been said that these recruitments will have to be made from among war-returned candidates because of commitments made during the war. But, Sir, I would like to say that the Government of India need not be ashamed of going back on the promises which they have made. They have done so, times without number, in the past, and they need not be ashamed of it now. When momentous constitutional changes are being evolved, it would be, I think, very injudicious indeed to try to impose on us a fresh batch of non-Asiatics—of "heaven-born" I. C. S. officers, as they are called—and confirm the distrust that still persists in the minds of Indians. I emphasise that at a time when the Cabinet Mission is preparing to start for India with an earnest desire for handing over power, it is most inopportune to continue the recruitment of Europeans into these services. Therefore, if the Government of India cannot stop recruitment to these services altogether, they would be well- advised at least in keeping these vacancies in abeyance until the constitutional issue has been solved. Or, if the exigencies of the services require that all these 217 posts in the I. C. S. and 119 posts in the I. P., making up in all 336 vacancies, should be filled before the

end of the year 1946, I am sure that the Government of India, if they went about it a little earnestly, would find plenty of excellent material from among war-returned Indian personnel in the country, and they should confine all their recruitment to Indians.

Talking about the manner of recruitment into these services, it has always been argued that recruitment into these Secretary of State's services are not made on a territorial basis. Whereas in one of these services—I mean the Indian Police —the recruitment is made on a provincial basis, a different line seems to be followed in the case of recruitment to the Indian Civil Service. I wish that in filling these 217 vacancies in the I. C. S. from among war returned candidates, adequate attention should be paid to the provinces, and, if possible, candidates should be chosen from among eligible candidates in the provinces, as is done in the case of the I. P.

To conclude, I would like to say that, since the European element in the Government of India have signified their intention of quitting India, it would be in the fitness of things, and it would be a real gesture of their intention of quitting India, if they stopped recruitment of European candidates into these services.

THE HON. KHAN BAHADUR KERAMAT ALI (Assam : Muhammadan) : Sir, the Resolution has my support. There were days when even Inspectors of Schools had to be recruited from outside. Perhaps it was then necessary. But those days are long past. The days of tutelage do not exist now. It has been declared that India is now fit for independence, and it is admitted that Indians are now fit to govern their own country. If this declaration and this admission are sincere, I do not understand where is the justification for recruiting outsiders for the Indian Civil Service or for the Indian Police Service. If it is argued that there is no sufficient room for absorbing all the British boys in services in England or in Europe, may I ask what will be the fate of the Indian students that have come out by the hundred from our universitiese ? These students have been moving from post to pillar and pillar to post for service, but they have been disappointed, because all the posts in India are not open for them.

Sir, if India is given independence, will independence be given minus appointments ? I submit that if India is given independence, she must be also independent in the matter of appointments. If that is so, why should you tie her hands now with these rules in the green books. India should have full freedom in the matter of appointments, and I am sure that if India is given the freedom to appoint people either for the I. C. S. or for the I. P., she will never entertain the idea of recruiting any people from outside India, because there are sufficient suitable candidates in India itself. I am sure that the Members of the Viceroy's Executive Council and the Ministers in the different Provinces know that there is now no room for any outsider in any service in this country. Therefore, I hope that in deciding as to whether they should vote for or against this Resolution, the Indian Members in the Viceroy's Council and the nominated members of the House will think twice as to whether they will be doing justice to their own boys if they go against this Resolution. With these words, I support the Resolution.

*THE HON. MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan) : Mr. Chairman, the House is fully aware of the stand which I have taken on this question of the elimination of the British element from the Indian Central Services. I shall now speak on it without going back to the ancient history to which my Hon. friend Mr. Thirumala Row referred or to the near past to which the Hon. Mover referred. I shall confine myself severely to the present-day conditions.

The House is aware that I hold the very strong view that substitution of the British element must be made on an equitable basis. I am glad that the Hon. the Mover has assured us that in the elimination of the British element the minorities will not be worse off than they are at present. If an equitable distribution is to be made, we do ask for a reconsideration of that question. But with that point I shall deal later on.

*Not corrected by the Hon. Member.

[Mr. Hossain Imam]

I shall first examine whether there is any need for a Central civil service, or, as you call it, Indian Civil Service, at all. My Hon. friend the Leader of the House gets three people from the I. C. S. to be employed in his Department. Only three posts are reserved for the I. C. S. in the Posts and Air Department. A Department of this magnitude, which can find officers for eleven Provinces and other places can very easily do without the three officers who are seconded to it as a reminder of the good old days—or the bad old days, if you like— when the I. C. S. used to be the centre of the universe for all Governments of India. Similarly, Sir, the Finance Department has a Service of its own, the Indian Audit and Accounts Service. It has produced men of outstanding ability, men whose work has been recognised not only in the Government of India but even in the Indian States and under private enterprise too. The need for the I. C. S. so far as these two Departments are concerned has ceased to exist. In the Customs Department you have a Service of their own. They are a new Service but they are producing men from the same material from which we get the I. C. S. and it is hoped that in time they will also be able to dispense with the I. C. S. Look at the Central Excise Service, which is of a very recent growth. There too you have produced an all-India Central Service which is quite capable of taking up the work of administration in the Centre. Not only that. Even in the near past, when the Congress and the Muslim League were not forming the Ministries—I am talking of the days when the Simon Commission was in India—Provincial Governments were asked to express their opinion and many of them expressed the opinion that they did not wish to have an Indian Civil Service. They were anxious to have a Provincial Service of their own in which they could give promotion to deserving candidates from among their own Provincial Service people so that they may have a nationalised service under the control of the Province. I, Sir, as is well known, am a protagonist of Provincial autonomy and as such I believe that the solution lies not only in the elimination of the British element from the I. C. S. but from its complete dismemberment and the provincialization of the Service to meet the requirements of the different areas which are served by this Service. India is too big a country. It is to be regarded as a sub-continent. Its problems, language and constitution are quite different and it is only in keeping with the national character of the future prospects that are dangled before us that the Service should be provincialized.

Sir, I wish to stress one or two more factors. Firstly, I wish to state that the function of the I. C. S. was really a stereotyped function—to be the District Officer or the District Magistrate. It has been our experience, at least in one or two Provinces, that most of the Indian officers were relegated from the Executive to the judicial side. Judicial work was found to be unsuitable for the British members of the I. C. S. and Indians have fared definitely better on the judicial side than the European officer. It may be said that as an executive officer the Britisher is unsuitable but still he holds a position of vantage, as past experience has shown. I would venture to sugest, Sir, that even in the executive field the work of the District Officer in the India of the future, as I see it, will be not what it is today. We do not wish to have the executive and judicial functions combined in the hands of one man. In many Provinces resolutions to this effect have been passed. So, all this points to the fact that the I. C. S., whatever may have been its utility or use in the past, does not easily fit into the picture of what India contemplates to have in the near future. The very need for the I. C. S. may disappear. The function of the Government in respect of maintaining law and order, which used to form 95 per cent. of the duty of the Government, has now deteriorated. The percentage of work which it has to do now in maintaining law and order is not so great. If India is to be like what we contemplate it to be, this will become a secondary function. It will have to discharge other functions too, the maintenance of communications, the preservation of the public health, the providing of education and so on. All these are to figure largely in the future work of the executive officer. For all these functions it is necessary that the man who occupies a position of responsibility should feel with the people and know what the people want. You have in the English bureaucrat a man who, in spite of remaining with us, is never with us. He is, as it is, in a water-tight compartment, an air-tight atmosphere of his own. He never

knows what is happening and he never cares to know and he is never wise, with the result that at the moment we find that the European members are becoming like the fifth wheel of the chariot and very little work is left for them. I am not going to labour the point. It has been expressed by my predecessors. The way in which new recruitments have been made makes it perfectly apparent that the only intention behind the new scheme of taking from war service is to give compensation to them at the cost of the Indian tax-payer. I am rather blunt but that is what it boils down to. Because they have fought to maintain British Imperialism, they must be rewarded by the Imperialist power, and by the Government under its control, and as India has still the misfortune of being subject to the British Crown, they are utilising our Exchequer for the purpose of being penalised at the expense of others. That is really what is happening. Mr. President, I am one of those unfortunate people who like to be fair to everybody. It will be remembered that 2 or 3 years ago a motion of this nature was moved in this House in which it was desired to do away with the British element and I opposed it on the ground that we who are in the minority have our own problems and until we have an assurance that the majority community will behave in a better manner, we cannot do away with the elements who are supposed to be non-party men. But one lives to learn. I have learnt, Sir, that when Britishers are in a quandary or when they lose their cause, they can be worse than the worst that you can imagine. We had, Sir, in the I. C. S. in the past men who had guided the Indian nationalist movement, who were among the founders of the Congress, retired British I. C. S. officers, but those golden days are no more. The present day Brttisher is suffering under three incubuses. Firstly, he has the apprehension that he is the waning Sun, that new order is coming and that he will have to vacate and therefore he is lethargic. He does not take things seriously. He leaves things to his subordinates and they boss over him. They are the people who advise him and instead of finding things for himself, relies on his underlings to guide him. This is the first inhibition from which he is suffering. We do not know the mind of His Majesty's Government, whether it really contemplates to transfer power to the representatives of the people or it is only a show which it has put up. The second thing which he suffers from is that he is terribly afraid of the press propaganda. If he finds that any action of his will be criticised, no matter what justice demands, he will do what the press demands and what those who are out to bully him want to be done. Sir, he can be the most unconstitutional person on the face of the earth. We have seen, Sir, how—I will not name—a person occupying the gubernatorial chair has set at naught all the constitutional precedents by calling a man to form a ministry who has been defeated at the pol

MR. CHAIRMAN (The Hon. Mr. M. N. Dalal): It is not fair to make personal charges agaist members of Government who are not present in this House. Confine your remarks strictly to the text of the Resolution.

THE HON. MR. HOSSAIN IMAM: I am addressing the Home Secretary to enlighten us whether under the Instrument of Instructions it is not laid down that he should use his discretion in an upright and conscientious manner.

THE HON. MR. V. V. KALIKAR: How is this matter relevant to the debate ?

MR. CHAIRMAN (The Hon. Mr. M. N. Dalal): It is not relevant. Please keep strictly to the terms of the Resolution.

THE HON. MR. HOSSAIN IMAM: An I. C. S. officer who is supposed to be impartial——

THE HON. MR. M. THIRUMALA ROW: Just like the Governor of Sind.

MR. CHAIRMAN (The Hon. Mr. M. N. Dalal): Order, order.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY: What did Sir John Herbert do ? And what did Mr. Casey do ?

THE HON. MR. HOSSAIN IMAM: Neither Mr. Casey nor Sir John Herbert was a member of the I. C. S. I am discussing the conduct of the members of the I. C. S.

MR. CHAIRMAN (The Hon. Mr. M. N. Dalal): Order, order. Please proceed with the Resolution.

THE HON. MR. HOSSAIN IMAM: Mr. Chairman, I was saying that constitutional propriety demands that according to the world practice the Leader of the largest Party should have been called to form the Government. If he could not get a Government, he would have been defeated within a week. The Legislature was to meet. What was the harm? It would have been the funeral of the party which formed the Government. If it had been defeated in the Legislature——

MR. CHAIRMAN (The Hon. Mr. M. N. Dalal): I must stop the Hon. Member from discussing that question further. Please proceed with recruitment to the I. C. S. and the I. P.

THE HON. MR. HOSSAIN IMAM: Mr. Chairman, this is not an isolated instance of deviation from the narrow path of rectitude which the I. C. S. and the I. P. officers too have taken. Very recently in the meeting of the Bombay Corporation when they were discussing the riots, the way in which the Commissioner of Police spoke does not show that they have realised——

MR. CHAIRMAN (The Hon. Mr. M. N. Dalal): The Commissioner of Police is not an I. C. S. officer.

THE HON. MR. HOSSAIN IMAM: I. P. We are discussing both. I am just reminding you of recent things. I am not going to delve into——

THE HON. MR. N. K. DAS: Shooting at Lahore.

THE HON. MR. HOSSAIN IMAM: We had an example of an I. C. S. man at the Delhi municipal meeting in the way in which he behaved when they brought a Resolution to protect against Victory illumination. All these little points show that the British I. C. S. officers having surrendered their constitutional propriety have out-stayed their welcome and outlived their utility, and the sooner they are eliminated, the better for all concerned. I have very great respect and admiration for those who serve India even according to their own light. But when we see that there is no desire to do the just thing as we witnessed only within this week at the Capital, we are hopeless and we think that men of that stamp need not go to India any more. It is better that India should be rid of such out-moded persons who have no sense of justice and fairplay left.

I am glad that Dr. Kunzru has given us the assurance, but I do hope that in the future constitution the position of all the minorities will be dealt with. The Parsees are a minority community, so are the Christians, Sikhs, Jains. Therefore sister nations and minorities should be adequately safeguarded.

THE HON. PANDIT HIRDAY NATH KUNZRU: How do you represent the other minorities?

THE HON. MR. HOSSAIN IMAM: We do not represent only the community from which we come. In the local bodies the elections are mostly on joint electorate and the Chairman and Vice-Chairman are our voters. Members of the electoral college of the Council of State get the franchise from others who may belong to any community. I have therefore a right to speak on behalf of my voters who have been instrumental in sending to the electoral college people who have become my voters.

Until the British people are really honest and really wish to transfer power to the peoples of India, the only right course open for them is to eliminate the British element from further recruitment. I do not wish, Sir, that the present incumbents should be turned out. They have served the country and as such they deserve a

treatment which new-comers do not deserve, because new-comers must come with eyes open, and it was unnecessary to provide all those pensions in case of voluntary retirement and compulsory retirement. What is more, Sir, even if I retain an I. C. S. officer of the present day he will be entitled to have his compensation although he will be retained in service. This is a double injury : adding insult to injury. Even if I retain him I will have to pay compensation because he has been appointed by the Secretary of State. Have you heard of anything more unfair than this ? It will be held in reserve. It will not be handed over to him but it will be held in reserve for him and for the use of his family even if he dies, so that provision has been made to fatten the people of the British Isles at the cost of the ill-fed millions of India, and this is brought forward as a great step towards the achievement of National Government for India. Sir, I demand that there should be more honesty in the masters who are in possession than they have shown so far.

Sir, I support the Motion.

THE HON. SIR N. GOPALASWAMI AYYANGAR (Madras : Non-Muhammadan) : I had really intended to rise a little later in the debate but as the Government spokesman would not get up and give us an idea of what the Government's case on this issue is, I think it is as well that I mention the one or two points that I have in mind, so that he may deal with them also when he does choose to rise in his place. Personally, it seems to me that my Hon. friend, the Home Secretary, will be hard put to it to make out a case against this Resolution.

I would, first, refer to a point which was mentioned last by my Hon. friend, Mr. Hossain Imam, and that is with regard to the retiring grants that are to be paid to the new recruits. It is provided that when a new recruit chooses voluntarily to retire he should get a certain amount calculated on the number of years of service he has put in. He should get a much larger amount for the same number of years of service if his service under the Secretary of State is terminated. Now, the Hon. Mr. Hossain Imam pointed out that if a British officer's appointment under the Secretary of State is terminated and the new Government choose to retain him in their service even afterwards, he must get the retiring grant that is provided for him in this green pamphlet in addition to whatever terms he may arrange with the new Government for the subsequent service he may put in under that Government.

THE HON. MR. HOSSAIN IMAM : At which rate—at the lower rate or the higher rate ?

THE HON. SIR N. GOPALASWAMI AYYANGAR : At the higher rate because it is a case of termination of his appointment under the Secretary of State. I will come to that small point a bit later. Now, Sir, that is a perfectly correct statement according to the scheme in this green pamphlet. There is only one omission —and I hope my Hon. friend, the Home Secretary, will correct me if I am wrong—that this extraordinary privilege is available not merely to British recruits but to Indian recruits under the new scheme, that is to say, that while the Indian exchequer will be saddled with these enormous amounts for payment to the British recruit whose service under the Secretary of State is terminated, even Indians who are recruited under these rules will be entitled to the same privilege. I for one cannot see, Sir, why, because we have to give these extraordinary amounts to British recruits, the Indian exchequer should be saddled with similar enormous amounts for payment to Indian recruits as well and we have got to remember that British and Indian recruits are going to be taken in equal numbers under the new scheme. Well, I think, Sir, that that is a burden which perhaps the authors of this scheme might have spared the Indian exchequer.

Now, there is one other point—a minor point—with regard to this particular matter which I should like to mention and that is this. It is not necessary that the new Government should *dispense* with the services of an officer who has been appointed by the Secretary of State under this new scheme. When the expected constitutional change takes place and power is transferred to a National Government, it would be inconsistent with the status of that Government that any officers working in this country should continue their tenure under the authority of the Secretary of State. Almost automatically that tenure will have to cease to exist and it will be for the new

[Sir N. Gopalaswami Ayyangar]

Government simply to determine whether, when that tenure terminates automatically in that way, they would retain the services of these new recruits in their service any longer. Well, Sir, it may be taken for granted that no Government which assumes power in this country would like to deprive themselves of the services of men who had gained knowledge and experience in the country. They would probably elect to retain their services. In any case, they will certainly retain the services of Indian recruits. There is no reason why they should dispense with the services of the British recruits so long as under the new scheme the Britishers who are appointees would be under their entire control and would have to carry out their orders. That being so, Sir, it will automatically happen that, when the constitutional change takes place and power gets transferred, the Indian exchequer would have to pay out these heavy amounts and at the same time come to some arrangement with these people as regards the terms on which their services will be retained in the future. Well, that, Sir, is a double burden thrown on the Indian exchequer.

Now, Sir, with regard to these retirement grants themselves I consider that they are most extravagant. Some attempt at countering this criticism has been made already in the other House, and it has been suggested that if you decapitalise the retirement grants you will find they are not so bad after all. Now, Sir, the proper way in which you should judge the heaviness or otherwise of these grants is to compare them with what ordinarily servicemen are entitled to expect under similar circumstances. I will only take the cases of people with, say, five years to ten years of service. It is a standing rule with regard to the superior Civil Services in this country that nobody is entitled to earn pension if he has put in less than five years' service. If he has put in five years but not more than 10 years' service he might be given a gratuity calculated at the rate of one month's pay for every year of completed service. I have, Sir, worked out a table which gives the amounts which a person will get under the usual rules and I have compared these amounts with what is proposed under the two categories, voluntary retirement and termination of services, under this green pamphlet. Now, Sir, for a man who has put in a service of five years the gratuity which will be obtainable by him under the ordinary rules—I am taking the I. C. S. cadre and after five years service a man is usually in the junior scale, though he might get an acting chance in the senior scale; I have averaged the pay of the two, the junior and the senior scales—on that average pay the amount of gratuity he will be entitled to will be Rs. 4,125. If he voluntarily retires under this green pamphlet scheme, he will get Rs. 20,000. If his services get terminated owing to constitutional changes, he will be entitled to Rs. 53,333. For six years service, the figures will be Rs. 5,250, Rs. 26,666, and Rs. 66,666. For ten years service, the ordinary gratuity under the Superior Civil Services Rule will be Rs. 11,375, while for voluntary retirement under the new scheme he will be entitled to Rs. 53,000 and for termination owing to constitutional changes he will be entitled to Rs. 1,06,666. Well, I say, Sir, that this is unconscionably extravagant. I would further make the point: What really is the justification for allowing a man voluntarily to retire? He enters the service, and he gets the right to say: "I may get out of it at any time; you have to pay me a hand some gratuity." That certainly does not fit in with any ideas of service organisation.

Then, take the question of payment for termination due to constitutional changes. Now, Sir, you remember the old controversy about the proportionate pension scheme under the Islington Commission's proposal. There were many people in this country who considered that it was an unconscionable thing to do, to grant a proportionate pension of a generous amount to a person who said that he did not want to serve under a new system of government. The main idea underlying a permanent service is that the members of it should render loyal service to any and every Government that comes into power. Theirs is not a question of politics; theirs is a question merely of administration and execution. Why should any special pay or extra amount be given to members of a permanent service who choose to say: "I was recruited under the old Government, and, as a new Government has come into power, I do not care to serve this Government. Please therefore give me a lakh of rupees: I have put in about ten years' service." That is a thing which no sensible Government should encourage in the organisation of any permanent service in any country. There would

be some justification, a very remote justification, for special treatment of this sort if at the time a man was recruited to a permanent service he had no information that there was going to be a change in the kind of Government that would come to wield power in the country. There is absolutely no justification for giving such preferential treatment to a man who, when he is recruited, is told : " No doubt you can continue to the full length of your service, but we have already committed ourselves to the transfer of power in India to Indian hands, and it may be that at any time—it is an uncertain time, as it is mentioned in this pamphlet—at any time your service under the Secretary of State might be terminated." He is asked to enter the service, and then you tack on that notification to him, with a promise of reward, that if he chooses —to say he does not like to serve under the new Government,or even if he does not choose to say that, if the new Government says that his tenure under the Secretary of State has elapsed, and that he may have a fresh tenure in continuation under the new Government, even in that case, you tell him, " We will give you a present of a lakh or two lakhs of rupees according to the length of your service under the Secretary of State." That, I think, is absolutely without justification.

Now, let me go on to point out the enormous difference between the amount of retirement grants under the voluntary head and the grants under the head of grants admissible to officers whose appointment under the Secretry of State is terminated owing to constitutional changes. That is a direct encouragement to people not to retire voluntarily but to stick on and brave the new Government to say : " Your tenure is over under the old system of things. If you choose to remain with us, we will pay you so much." Then you put the retirement grant in a fund and get it invested for your benefit, and make your own terms with the new Government for the further service you have to render to them. Possibly a contributory provident fund will be the least that will be agreed to. Well, Sir, all that means enormous cost to the tax-payer of this country.

Now, what is the justification for all this recruitment under this extraordinary system ? The only thing that has been suggested as justification is, as has been pointed out already, that at the time recruitments to the I. C. S. and the I. P. were suspended in 1941 and 1942 there was an announcement that those vacancies would be held in abeyance, that they would be filled up after the termination of the war and that opportunity would be given to young men who had entered war service to enter these services at the end of the war practically on the same terms as they were entitled to if they had entered these services before the outbreak of the war. It is said that this was an undertaking, and that, if we go back on it, now, it would be a breach of faith. But in your own scheme you have committed a breach of the conditions which you say you have imposed upon yourself. The question of recruitment has to be considered in several aspects. Should the recruitment, for instance, be resumed both in England and in India, and in the same proportions of 50 : 50 in the I. C. S. and 56 : 44 in the I. P. ? Should the basic pay be the same ? Should the protection of existing and accruing rights—a famous phrase at the time of the Lee Commission—should the protection of those rights by the Secretary of State be continued ? Should the pension rights be the same ? Should the methods of selection be the same ? You have deviated from all previous practice—" practice " was the word which the Hon. the Home Member swore by in the other House—you have deviated from practice as regards methods of selection, as regards pension, as regards even protection of rights. Why is it that you could not summon courage enough to deviate from practice with regard to the *situ* and the proportions of the recruitment ? India has advanced too far in this year of grace 1946 to be any longer a party to the position that recruitment for the civil services in this country should take place not only in India but outside, that a certain proportion of the number of vacancies in her Civil Services should be earmarked, not for her own nationals, but for non-Indians. Those positions are absolutely inconsistent with the political status which India has attained today. It is true, Sir, that we might have to import people from outside, but only under certain conditions. The first perhaps is that people of the required calibre are not available in this country, and the second that you want to secure efficiency of a particular standard. So far as the Civil Services are concerned, I am afraid nobody can contend in this country that efficiency is lacking amongst Indians or that a sufficient number of qualified recruits are not available in this

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country for manning every post that is going. 22 years ago, Sir, before the Lee Commission, I happened to give evidence on behalf of an Indian Officers' Association in Madras. The Association took up two positions. The first was that in that year—it was 1923 or 1924—we were in a position categorically to assert that there was not a single post under the Crown in the whole of India for which you could not find a competent Indian. That was one position which we maintained. The second was that recruitment for the Civil Services in India should be made only in India. If Britishers wanted to enter the Civil Services in this country, they ought really to come over to India and compete on equal terms with Indian candidates. No doubt, a Member of the Commission asked me that question, "You really expect Britishers to come over to India and to compete with you at examinations held in India?" and my only answer was that, if they did not, it would not be a calamity. Sir, I am not so anxious that the recruitment of Europeans as such should be stopped. I am more anxious that recruitment outside India should be stopped and that recruitment should be inside India, and, if non-Indians wish to enter our Services, let them come over and compete with our own men.

MR. CHAIRMAN (The Hon. Mr. M. N. Dalal): Please bring your remarks to a close.

THE HON. SIR N. GOPALASWAMI AYYANGAR: Now, Sir, I will mention only one other point as there is no more time to raise other points which I had intended to do. I will only mention this one point. The other day, in answer to my Hon. friend Dr. Kunzru, the Commander-in-Chief agreed to the position that British recruitment for the junior ranks of officers in the armed forces of the country could be stopped at once. His only trouble was that he was unable to get a sufficient number of the right type of Indian recruits. Whether that complaint of his is or is not well founded, we need not go into that during this debate. But, so far as the Civil Services in this country are concerned, it is beyond doubt, it is demonstrable in every sense of the word, that not only for all the posts for which you wish to recruit at the foot of the different cadres but for every appointment in the cadres higher up, you can find an adequate number of fully suitable Indians and therefore, Sir, there is absolutely no reason why, under such circumstances, you should continue any longer the extraordinary method of earmarking 50 per cent. or any proportion of the direct recruitment to non-Indians in the Civil Services in this country. Sir, I support this Resolution.

THE HON. MR. A. E. PORTER (Home Secretary): Sir, if the House will permit, I will read again the Resolution to which I am replying:—

"This Council recommends to the Governor-General in Council that immediate steps be taken to stop recruitment of non-Indians to the I.C.S. and the Indian Police."

I ought, at the outset, to tell the House what is my position in respect to this Resolution. You can ask an authority to take steps to stop recruitment in two circumstances: first, if the authority is making recruitment itself or, secondly, if the authority is in a position to direct the recruiting authority to stop. The Governor General in Council is not in either position. The Constitution lays down that recruitment to the Indian Civil Service and the Indian Police, amongst certain other Services of the Secretary of State, shall be made by the Secretary of State. It was alleged during the course of the debate that the responsibility for continuing a proportion of European recruitment to these Services had been thrown—'thrown' was the word used—by the Government of India upon the Secretary of State. That, Sir, was not an accurate description of the position. I must, therefore, explain that I must oppose this Resolution on those purely technical grounds, if on on other grounds also. The Government of India does not recruit to these two Services and under the Constitution it is not in a position, of its own initiative, to make a recommendation to the Secretary of State in that respect.

I am, therefore, able only, to the best of my knowledge and ability, to interpret the Secretary of State's position in this respect, and fortunately I am in a postion to do that because the Secretary of State has made his position very clear.

But, before I do this, I should like to endeavour to rebut the allegations which have been made that the progress of recruitment to these Services during the last 20 years or so has revealed a deliberate intention on the part of the Secretary of State to maintain the highest possible recruitment of Europeans. There are at present in the Indian Civil Service 1,022 members. Of those, 504 are Europeans. In the Indian Police there are 559 members of whom 215 are Indians.

THE HON. PANDIT HIRDAY NATH KUNZRU : Will the Hon. Member mind repeating the figures ?

THE HON. MR. A. E. PORTER : They are the same figures as I gave the Hon. Member, the Mover of the Motion, some days ago. Total number of members of the I. C. S. at present is 1,022. Total number of Indian Police, 559. Europeans in the I. C. S., 504. Indians in the Indian Police, 215.

THE HON. PANDIT HIRDAY NATH KUNZRU : The figures that the Hon. Member has given in his letter to me regarding the number of Indians and Europeans in the I. C. S. are different.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) : What are the figures ?

THE HON. PANDIT HIRDAY NATH KUNZRU : The figures with regard to the I. C. S. are Indians 515 and others 507.

THE HON. MR. A. E. PORTER : I can explain that. The discrepancy arises in this way. There are three persons who are not classified. I have put them amongst Indians because they are not Europeans. Perhaps I ought to have said 504 Europeans, which is correct ; and if the Hon. Member will again look at the letter which I sent him, he will see that my classification was Indians and others, whereas I have now said Europeans and Indians. Perhaps I should have said Europeans, and Indians and others. The figure is 504 Europeans.

Now, Sir, that is the position at present. There is perhaps another series of figures which will interest the House. It shows the progress made with what, possibly, gentlemen on the opposite benches would prefer to call not Indianisation but elimination of others than Indians. In 1925 the percentage of Europeans in the I. C. S. was 80 ; in 1930, 68 ; in 1935, 58 and in 1940—I have already given the figures—it is just below 50 per cent.

The figures for the Indian Police also show a similar decrease in the proportion of Europeans : 87 in 1925 ; 80 in 1930 ; 74 in 1935 and 69 in 1940.

I would like to emphasise at this stage that the number and percentage of Europeans in both those services at the present time has been enhanced as a result of the ban placed by the Secretary of State on retirement during the war. That is the reason, in fact, for the apparent discrepancy which the Hon. Member who moved the Resolution pointed out, that we have, for instance, an I. C. S. strength at the moment of 1,022 against a theoretical cadre strength of 1,064 and the Secretary of State is proposing to recruit 217 new members. As soon as the ban on retirement is lifted, there is every reason to believe that at least as many members of the I. C. S., who have remained in service because they have not been permitted to retire during the war, will leave that service and retire, as the Secretary of State is recruiting to fill their places.

Now, Sir, I contend that the figures which I have given the House disprove the suggestion that the Secretary of State has displayed what, if I remember rightly, one Hon. Member characterised as the " maximum unwillingness to Indianise " the services.

I pass now, Sir, to the considerations upon which the Secretary of State has determined that he will continue to recruit a proportion of Europeans to these services in accordance with the practice existing when recruitment was first of all suspended and subsequently closed down. The first reason is the so-called promise or undertaking upon which a certain amount of unfavourable comment has been voiced. One

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small point made in the course of the debate was to ask whether the announcement made in 1941 when recruitment was suspended is to be considered to have continued to hold the Secretary of State as an undertaking when he suspended recruitment in 1943. The answer to that is: "Yes"; it must be taken to have continued; and it has been interpreted by the Secretary of State himself as continuing during the whole of this period in which recruitment had been suspended. You will remember, Sir, that when recruitment was restricted and later stopped, we were in conditions very different from those now obtaining; and I think, Sir, that if Hon. Members on the opposite benches would put themselves for a moment in the position of the Secretary of State at that time, they would have done very much the same as he did then. What he did was to remove an obstacle to enlistment in the combatant forces of the Commonwealth of both Europeans and Indians whose generous impulses, if I may say so, would probably in any case have impelled them to sacrifice their chances of a career with that object. It does not seem to me that it is fair to criticise the Secretary of State for that decision. In any case the Secretary of State himself has asserted both in reply to enquiries which have been made of him from here and recently in a reply to a question in the House of Commons that the maintenance of the pre-war ratio between British and Indian recruits had been determined in order to implement the undertaking given in respect of the reservation of such vacancies for candidates with war service.

But—and here I think I am able to advance some small argument against the criticism of Sir Gopalaswami Ayyangar—having decided upon that, the Secretary of State has recognised that it is not fair, in fact it would not be practicable, to foist members of his services, whether they are Europeans or Indians, upon the Government or Governments which, in a very short time from now, will, as we all hope and expect, take over the administration of India. I might add here that I am certain—and the Secretary of State has made it quite clear—that the option to terminate the services of persons in the Secretary of State's services at least in the I. C. S. and I. P. will be extended to cover the cases of those persons who are already in service.

THE HON. SIR N. GOPALASWAMI AYYANGAR: It is an additional burden. Will they get retiring grants too?

THE HON. MR. A. E. PORTER: I will deal with the question of the additional burden so-called a little later. It seems to me, Sir——

THE HON. SIR N. GOPALASWAMI AYYANGAR: Will existing members of the Services get retiring grants on the same scale?

THE HON. MR. A. E. PORTER: If I may be permitted, Sir, I will deal with that a little later.

It seems to me, Sir, that a very large number of assumptions have been made during the course of this debate of which I should be delighted to know the basis.

I was saying, Sir, that the new Government will have complete discretion to terminate the services of any individual who is in the Secretary of State's services. Now in these circumstances, what has the Secretary of State to do? No man, I contend, can compute the speed at which change will take place. The Secretary of State's view, as he has expressed it, is that until he is relieved by a new Government of the responsibility which is his under the constitution he must discharge that responsibility to the best of his ability and in accordance with commitments which he has already entered into.

I would advance against the argument which has been put forward so forcibly that it is appropriate for the Secretary of State to stop recruitment of Europeans, and appeal to the Members opposite not to prejudge an issue which in fact should be decided by the Government which, as we all expect, will be coming in very soon.

I do not think, Sir, that the allegations of inconsistency which have been laid against the Secretary of State for his action can be maintained. The Secretary of State is in my view on perfectly sound ground when he contends that he can do nothing

consistently beyond maintaining the practice which he has previously been following and which he had announced that he will follow until a body comes into being which can authoritatively state what it wishes should be done in this respect in future. It is quite possible, Sir, that when a new Government or Governments come into being in India—and when they find themselves faced with the necessity to take decisions upon questions, which perhaps have previously been argued more theoretically and academically, with a view to actual practice and to taking the responsibility of decisions with their consequences—it is quite possible, I say, that a new Government may be prepared, or even willing, to have the contacts which have hitherto been built up with Great Britain and with the European elements in the Services maintained. If they do not, so far as I can see, as I have said before, there will be nothing whatever to prevent them from serving them.

That, Sir, is the main case which I have to put before Members of this House. I had not expected to be called upon to discuss details of the rates of pay and the conditions of service and the rates of compensation which the Secretary of State is considering that he should ensure to those people who are now being recruited. But there is one point, Sir, which has already been brought out by my Hon. friend, Sir Gopalaswami Ayyangar, and that is that in all pay in Government service, there is, I believe, an element which is not paid, which goes to the Government servant on retirement as pension. In other words, pension is not an additional sum paid to a Government servant after he has completed his service but it is in a sense deferred pay. Now for those persons who voluntarily retire I do not see why it should be considered to be monstrous that something of the element of deferred pay should be given to them as compensation when they retire.

THE HON. SIR N. GOPALASWAMI AYYANGAR: May I, on a point of information, ask what will happen in the case of those recruits whose appointments under the Secretary of State get terminated before they have put in five years' service?

THE HON. MR. A. E. PORTER: Sir, on that point I cannot give the Hon. Member any definite information. There is a note to the appendix from which my Honourable friend quoted which says that in the event of an officer's appointment under the Secretary of State being terminated on account of constitutional changes before he has completed five years' service, he will be entitled to such proportionate grant as the Secretary of State may decide. Subject, Sir, to further investigation I assume from the silence of this booklet upon the point that if an officer decides to retire voluntarily from service within five years he will get no compensation.

THE HON. SIR N. GOPALASWAMI AYYANGAR: No question of deferred pay in his case?

THE HON. MR. A. E. PORTER: As My Hon. friend pointed out, Sir, if I accept his statement as correct, the rule appears to be that there is no compensation for the first five years so that even in that particular the Secretary of State is being consistent with the practice at present obtainable.

Now, Sir, on the question of cost and the equity of these grants, I think there are two points which I might make. First of all, I suggest that the cost, in the case of these new recruits, on any practical computation is going to be a very small matter. I feel perfectly sure, Sir, that if the Government which comes in want to get rid of officers whom the Secretary of State has recruited, whether they be Europeans or Indians, they would be perfectly happy to pay the comparatively small sum which is required under the terms announced by the Secretary of State. I think, Sir, that we have to consider that the termination of service which has to take place will occur at a very early stage. I imagine that the new Government when it comes in will find that one of the first things that it wishes to consider is whether it shall terminate the services of Secretary of State's Services or not——

THE HON. SIR N. GOPALASWAMI AYYANGAR: On a point of explanation, I am not sure that the Hon. Member apprehended my point on that particular issue aright——

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): You cannot make another speech now. Please be very brief.

THE HON. SIR N. GOPALASWAMI AYYANGAR: This is a very important point. My understanding of this green pamphlet is that there is no definite order of termination required from the new Government before a person gets entitled to this grant. Supposing the new Government wants to retain a particular person. As soon as the constitutional change takes place the appointments cease to be under the Secretary of State and come under the new Government. That entitles him to this retirement grant. I do not think it is necessary for the new Government at all to determine whether an officer's services should be terminated at all. The termination occurs owing to the constitutional change automatically.

THE HON. MR. A. E. PORTER: Well, that is a point on which I am not in a position to give a reply. My own impression is that the Hon. Member is perfectly correct, and, therefore, that if the Government, or one of the Governments, which will succeed the present Government wished to retain one of these officers, a definite offer would have to be made to him. But it is a point on which, as far as I know, there has been no decision reached; and, therefore, what I am saying today is entirely by the way, and I cannot hold myself responsible for its accuracy; that is only my own impression. It is one of the points which obviously will have to be considered when this question becomes a matter of appropriate negotiation, by whatever means may be adopted, between the Secretary of State and the new Government or Governments which are set up.

I was saying that it struck me, first of all, that the cost was, on a practical interpretation of things, going to be comparatively small. Secondly, I would like to know on what facts or arguments Hon. Members have so readily based their assumption that these charges will fall upon the Indian exchequer. I have no doubt that the Secretary of State will be very pleased to see this ready acceptance of the position that India shall pay these people when they are thrown out by the Indian Government. Whether he will or not, I do not know. Neither do I know whether in fact the opinions expressed or the assumptions made here today will be those which possibly the same Hon. Members will hold in different circumstances when perhaps they are called upon to negotiate a bargain with the Secretary of State in respect of these officers whom he has appointed for service in India and whom they want to be disembarrassed of.

THE HON. MR. HOSSAIN IMAM: Am I correct in assuming that this liability is taken up by His Majesty's Government and not by the Government of India?

THE HON. MR. A. E. PORTER: No, Sir. I asked on what basis my Hon. friends on the benches opposite were assuming that there was no question that the new Government would be able to contend, in its negotiations with His Majesty's Government, that this liability was one which they might appropriately disown.

THE HON. MR. HOSSAIN IMAM: The presence of sterling balances is responsible for our feeling.

THE HON. MR. A. E. PORTER: I put that forward merely as one of the points which I think on the merits of the case are entitled to consideration when we are deciding whether to give support to this Resolution on the ground that the Secretary of State has fastened a considerable liability upon the fresh Government or Governments of India which may succeed the present constitutional set-up.

THE HON. SIR N. GOPALASWAMI AYYANGAR: I hope the Indian recruits too will get the grants from His Majesty's Government.

THE HON. MR. A. E. PORTER: Sir, I have no doubt that, if my Hon. friend is a member of the body which is negotiating with His Majesty's Government, he will put up a very good fight.

I was saying that it seems to me that in these circumstances, when we do not know either what is going to be the position taken up by the fresh Government when it comes in or the actual terms which that Government will be able to negotiate in the way of a Financial Settlement, in which I imagine all these considerations will be taken into account,—in these circumstances, I suggest that this is definitely not the time when the Secretary of State should be asked to change his method of recruitment.

That, Sir, is all that I have to say. I would appeal to the Hon. Move of this Resolution to withdraw it, because, as I said earlier on, it seems to me that he is asking this venerable senate to go down to history as having approved of a Resolution asking the Governor General in Council to do something which the Governor General in Council constitutionally cannot do, and which it would not be proper for that body to do unconstitutionally or beyond the limits of the constitution. Secondly, my main point is that this is a matter which should be left for the decision of that legislative and executive body or bodies which will come into being when the constitutional changes which are going to come very shortly are brought about. Sir, I oppose the Resolution.

THE HON. SIR DAVID DEVADOSS (Nominated Non-official): Sir, I do not want to give my vote on this question without explaining my position. I do not want to go into all that has been said and referred to. My position is this. The Secretary of State knows that very important changes, I should say fundamental changes, are likely to take place within probably a few weeks, or, if not, months. That being so, why should he be in a hurry to entertain the services of a number of people? During the war the recruitment was stopped. Now, we are, though not in the midst of war, at least about to have very important changes in the government of this country. That being so, I think it is wisdom for the Secretary of State to hold his hand for a few months. The heavens are not going to fall during the next few months if new recruitment to the I. C. S. or the I. P. is stopped or kept in abeyance for a few months.

Another point is this. It has been said by my Hon. friend the Home Secretary "Oh, you can dispense with these people, or you can do just as you like." But why should the new Government be saddled with any liability at all? It will not be open to them to say, "Very well, you people all go away," without paying compensation, because the Secretary of State is the person who represents the Govrnment of India, and if he enters into an agreement with anybody, that agreement will be binding upon the new Government. That being so, the Secretary of State is not showing wisdom in now recruiting a lot of officers to the I. C. S. and I. P. That being the position that I take up, I am willing to support the Resolution.

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern: Non-Muhammadan): Mr. Chairman, my Hon. friend Mr. Porter ended his speech by asking this venerable senate—to use his own words—whether it would like to go down in history as a body which asked the Governor General in Council to do an unconstitutional thing. Sir, this venerable body has asked the Governor General in Council to do no such thing. When we ask the Governor General in Council to take immediate steps to have recruitment of Britishers to the Indian Civil Service or the Indian Police or any other service stopped, it is plain that what we mean is that he should let the Secretary of State for India know that in the opinion of the Governor General in Council it is desirable that the steps should be taken. When my Hon. friend appeals to us on the score of our dignity not to pass the Resolution now before the House he is only displaying in a convert manner the unwillingness of the Government of India to fall in with the wishes of the people and bring pressure to bear on the Secretary of State in order to have recruitment to the Services that are now under discussion discontinued.

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Sir, my Hon. friend disputed my observatoin regarding the unwillingness of the British Government to Indianize the Services with which we are dealing. He drew our attention to the number and percentage of Indians in these Services in 1925 and at the present time. It was not my point that no progress had been made in the last 20 years—

THE HON. MR. A. E. PORTER: The maximum unwillingness to Indianize.

THE HON. PANDIT HIRDAY NATH KUNZRU: I used those words. I remember them very well. The gravamen of our charge was that when constitutional changes took place in the thirties the proportion of Indians to be recruited to the Indian

[Pandit Hirday Nath Kunzru]

Civil Service was not allowed to be increased. Before that it was thought necessary that the increased association of Indians—to use the phrase employed in the famous declaration of 1917—in all branches of the Administration should be brought about simultaneously with an increase in their constitutional powers. This principle was departed from in 1935 and it is in reference to this that I said that during the recent past the authorities had shown the maximum unwillingness to bring about the Indianization of the Indian Civil Service and the Indian Police. My point, Sir, is illustrated further and more forcibly by the insistence of the Secretary of State on the recruitment of British candidates to the I.C.S. and the I.P. in spite of the vast change that has taken place in the situation during the last 3 years. It must be assumed that the Secretary of State is coming with Cabinet Delegation in the hope that a settlement will be arrived at, and if a settlement is arrived at, it is obvious, as my Hon. friend Mr. Porter said, that the new Government will immediately take the question of the recruitment to the Superior Services into consideration. Why is he, then, compelling us to appoint 122 British officers to the I.C.S. and 75 officers to the I.P.? My Hon. friend said that if we hadbeen in the position of the Secretary of State, we would have done as he did, and that he had done no more than continue to discharge his responsibility while he is required by the constitution to fulfil certain obligations. I am not certain that if we were in the position of the Secretary of State, we would have acted in the manner in which has done, unless we meant that our countrymen should remain in the Superior Services of another country for as long as possible. Again, Sir, when recruitment was partially suspended in 1941 or completely sus pended in 1943, were the prospective candidates told that as they might have to serve under a new Government, their contracts with the Secretary of State might be terminated and even that their services might be dispensed with? Were the prospective candidates given to understand that? Obviously not. The change in the situation has been such as to force the Secretary of State to say to the youngmen who might now join the Services under discussion that they must not expect that they will be able to serve in these Services for the normal period. If the force of circumstances could make the Secretary of State say that, why should they not induce him also to drop this question of British recruitment altogether? He could say to British youths "You want as much as the British Government that India should be a self-governing in country and that the relations between a free India and Britain should be those of friendship and confidence. I am sure therefore that you will recognise that in order to bring about this result which in the end will be a far greater benefit to your country than your recruitment to the I.C.S. and the I.P. can be to you personally, the British Government is justified in not taking up the question of British recruitment at all."

Sir, there is only one more point that I should like to discuss before I sit down. There has been some discussion in the House regarding the conditions under which grants will have to be paid to the men who will now be recruited to the I.C.S. and the I.P. I had hoped that the Home Secretary would be able to throw some light on the subject but his speech has been as disappointing on this point as it has been on the main point. May I draw his attention to the following words which he will find on page 7 of the pamphlet entitled "Civil Appointments in India and Burma" which lays down the conditions of service of the men now to be recruited? It is said here about half way down the page :

"If as a result of constitutional changes an officer's appointment under the Secretary of State is terminated and he does not receive and accept an offer to continue to serve under Government in India, he will be entitled to the grant appropriate to his length of service as shown in the third column of the table in Appendix II."

On page 31 which contains the Appendix referred to, are laid down the grants admissible to officers whose appointments under the Secretary of State are terminated on account of constitutional changes. Can the Hon. Member tell me what the intention of His Majesty's Government is? Is the grant of £4,000 to a man after 5 years' service or such proportionate grant as the Secretary of State may decide for a smaller period of service payable automatically to a new entrant if his contract with

the Secretary of State is terminated, or whether it will be paid only when he does not receive and accept an offer to continue to serve under Government in India? Another question that I should like to ask him is what is the grant that he will receive in case he receives an offer from the Government of India but does not accept it? I take it that that will be on the smaller scale.

THE HON. MR. HOSSAIN IMAM: There is no provision to that effect.

THE HON. PANDIT HIRDAY NATH KUNZRU: Here it is said: "Grant admissible to officers who retire voluntarily." I take it, Sir, that if he does not accept an offer he will get a grant on the lower scale laid down in Appendix II. This lower scale refers to those officers who retire voluntarily and my point is whether a man after the termination of his appointment under the Secretary of State receives an offer from the Government of India and rejects it, will he be entitled to compensation on the higher scale or on the lower scale?

THE HON. SIR N. GOPALASWAMI AYYANGAR: On the higher scale. Read the penultimate sentence of that same paragraph.

THE HON. PANDIT HIRDAY NATH KUNZRU: This sentence is :—

"In such cases the grants appropriate to their length of service under the Secretary of State will be placed to their credit with an independent authority and will be paid to them on their leaving the service of Government in India or to their heirs if they die while still serving."

THE HON. SIR N. GOPALASWAMI AYYANGAR: See the previous sentence also.

THE HON. PANDIT HIRDAY NATH KUNZRU: This is the sentence to which my Hon. friend referred; but the previous sentence is:

"It is, however, hoped that many of the officers whose appointments under the Secretary of State are terminated will be invited and will be willing to continue to serve under Government in India. In such cases the grants—this is the subsequent sentence which I have already quoted—the grants appropriate to their length of service under the Secretary of State will beplaced to their credit with an independent authority and will be paid to them on their leaving the service of Government in India or to their heirs if they die while still serving."

The language that has been used here is confusing. The various paragraphs do not seem to me to be consistent with one another. I hope that my Hon. friend the Home Secretary will be able to clarify this point, even though he is unable at the present time to tell us whether the entire charges on account of the payments of grants to the new entrants will be borne by His Majesty's Government or not.

Just one more point Sir, and I have done. My Hon. friend the Home Secretary said that the grants to be paid to the new recruits are not such as to impose a heavy burden on Indian revenues should it be ultimately decided that they should be paid by the Indian exchequer. I do not know what his idea of an undue burden is. But it is quite clear that at a time when India will need every rupee that it can get in order to bring about much needed social changes it may be called upon to pay lakhs and lakhs as retirement grants to the new officers taken as a whole. Again, Sir, if the Secretary of State was only anxious that the Indian Civil Service and the Indian Police should not fall below strength he had an example before him which I think he might have followed. It has been decided in connection with the Indian Army that no permanent commissions, should be given to British officers and we are not asked to pay any British officers whom we may not want in future any compensation or any retirement grant. We are not quite satisfied with the announcement made by His Excellency the Commander-in-Chief on this subject, but I do not propose to discuss that on the present occasion. All that I want to say is that if the Secretary of State thought that his heavy and sacred constitutional obligations required him to see that British young men were available to India at the time when constitutional changes took place in this country he could have sent young men employed by the British Government but only lent to the Indian Government. That procedure has not been followed and although in the course of negotiations between the British Government and the new Central Government that may be formed this question may be decided to the satisfaction of India, it looks at present

[Pandit Hirday Nath Kunzru]

as if the burden of the retirement grants is to be borne by the Indian exchequer. Sir, with these words, I ask Hon. Members on this side of the House, to vote for my Resolution. Indeed I hope that even the nominated Indian members on this particular occasion will make common cause with elected members, for it is well-known that their feelings on this subject are exactly the same as ours.

THE HON. MR. A. E. PORTER : I should like just to make a few observations by way of reply.

I regret, Sir, that my speech caused disappointment to my Hon. friend, Pandit Kunzru. May I say, Sir, that I had hoped that I might convince him by my speech that it was appropriate that this Resolution at this stage should be withdrawn.

There are three or four points which have been raised to which I should like to reply without going into details, and incidentally to mention one other cause of disappointment to me, this time afforded by my Hon. friend, Sir David Devadoss.

The Hon. Sir David Devadoss raised two points on which I think I have the answer. He said that the heavens will not fall if the Secretary of State does not make any recruitment and he said that India is being saddled with a liability. It is true, Sir, that the heavens will not fall if these appointments are not made but members of services are not born; they are made; and it takes a certain time for a man to be brought to that stage at which he really is useful to the administration. The present position of the administration has been frequently stated in public and in the newspapers to be running. One of the reasons which the Secretary of State gave for making this recruitment was that he wishes to maintain the administrative machine pending the transfer of responsibility. In other words, he must hand over to the Government which takes over his responsibility from him a running concern.

The second point which I should like to mention is the question of whether this recruitment is in fact going to saddle India with a liability. If what I have said is correct it will not be saddling India with a liability but it will be handing India a potential asset. India will be receiving a body of men who have been already put in the way of qualifying themselves as administrators during a period of a certain number of months—or it may be only weeks or days, if the constitutional changes which we all of us have in view come upon us as rapidly as they may. Those are the points on which I should have hoped that I should be able to convince my Hon. friend to change his mind if he had not so categorically stated that he proposed to support the motion.

Now, Sir, on the points which have been raised by the Hon. the Mover of the Resolution, I have very little to say. He has asked me for certain interpretations of a document issued by the Secretary of State. Well, Sir, at this stage my interpretation is just as good and no better than his ; but it seems to me that on the particular points which he asked the intention is perfectly clear. It says that "if an officer appointed has his appointment terminated on constitutional changes and if he does not *receive and accept* a new offer" then he gets a certain grant ; and that I think is the interpretation which my Hon. friend, Sir Gopalaswami Ayyangar, puts upon that phrase and with very great respect I associate myself with his interpretation, but I should like to say quite frankly that I do not know what is the interpretation put upon it in the India Office.

Secondly, Sir, he has suggested that there will be a considerable loss and has controverted my statement that India stands to lose nothing or very little, in fact, by terminating the appointment of all these people who are newly being appointed. Well Sir, I am making certain assumptions and I assume that the constitutional changes upon which anybody appointed becomes entitled to compensation will take place within five years. Nobody, Sir, appears to contest that ; I think that is a safe assumption. Now, Sir, the maximum that you will have to pay for 200 men with five years' service, if my arithmetic is right, is 8 lakhs and in these days when we have become accustomed to talking in terms not of crores but of hundreds of crores that is a comparatively small sum.

It has been made an argument, Sir, that the elimination of the European element has not in fact gone pace by pace with the enlargement of constitutional powers

On that point, Sir, all I can say is that there could be no further enlargement of the power to eliminate the European members in the Services than is now contemplated by an arrangement under which the new Government will be able to get rid of them lock, stock and barrel.

Finally, Sir, in asking the House to accept his Resolution the Hon. the Mover has said—I am only paraphrasing him—that it is the duty of the Secretary of State to accept the opinion of the people. Now, Sir, without in any way wishing to appear disrespectful or to omit to pay deference to this House, I would suggest that the opinion which the Secretary of State is entitled to consider is the opinion of the Government which comes in, or the Governments which come in, and which are going to carry the responsibility for the decisions which they are making. Sir, I concede that my Hon. friends on the opposite Benches will probably form or be an element in that Government; but what I suggest is that they will be well-advised if they wait until this problem, which will come up before them, is a live problem and when they are in a position to assess all its aspects in the light of the circumstances which will then be existing; and, Sir, on that view I ask those Hon. Members of this House who have determined to support this Resolution to change their minds and vote against it.

THE HON. MR. HOSSAIN IMAM: On a point of information, Sir. What was the assessment of the value of pensions?

SOME HON. MEMBERS: 8 lakhs of rupees.

THE HON. MR. HOSSAIN IMAM: or £!

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): Resolution moved that—

"This Council recommends to the Governor General in Council that immediate steps be taken to stop recruitment of non-Indians to the I.C.S. and the Indian Police."

Question put: the House divided:

AYES—17

Askuran, Hon. Sir Shantidas.
Ayyangar, Hon. Sir Gopalaswami.
Das, Hon. Mr. M. L.
Das, Hon. Mr. N. K.
Das, Hon. Rai Bahadur Satyendra Kumar.
Devadoss, Hon. Sir David.
Hossain Imam, Hon. Mr.
Kalikar, Hon. Mr. V.V.
Kameshwar Singh of Darbhanga, Hon. Maharajadhiraja, Sir.
Keramat Ali, Hon. Khan Bahadur.
Kunzru, Hon. Pandit Hirday Nath.
Mahtha, Hon. Rai Bahadur Sri Narain.
Padshah Sahib Bahadur, Hon. Saiyed Mohamed.
Row, Hon. Mr. Thirumala.
Roy Chowdhury, Hon. Mr. Sushil Kumar.
Rup Chand, Flt. Lieut., the Hon.
Surput Singh, Hon. Mr.

NOES—18

Assadulla Khan Raisani, Hon. Sardar Bahadur Nawab.
Charanjit Singh, Hon. Raja.
Dalal, Hon. Mr. M. N.
Dundas, Hon. Mr. A. D. F.
Ghosal, Hon. Sir Jogna.
Hissamuddin Bahadur, Brig. the Hon. Sir.
Hutton, Hon. Lt.-Genl. Sir Thomas.
Jones, Hon. Sir Cyril.
Khurshid Ali Khan, Hon. Nawabzada.
Lal, Hon. Mr. Shavax A.
Mahomed Usman, Hon. Sir.
Mukherjee, Hon. Sir Satya Charan.
Porter, Hon. Mr. A. E.
Prior, Hon. Mr. H. C.
Sobha Singh, Hon. Sardar Bahadur, Sir.
Srivastava, Hon. Sir Jwala Prasad.
Sukthankar, Hon. Mr. Y. N.
Yeatts, Hon. Mr. M. W. M.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): Hon. Members, the result of the voting is: Ayes 17, Noes 17. I have to give my casting vote, and, in conformity with the parliamentary convention, I maintain the *status quo* and vote for the Noes. The Resolution is negatived.

The Motion was negatived.

(The Hon. Mr. Thirumala Row said that he was not moving the Resolution which stood in his name.)

RESOLUTION *RE* PAYMENT OF ALLOWANCES TO SECURITY PRISONERS

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS (East Bengal; Non-Muhammadan): Sir, I beg to move:—

"This Council recommends to the Governor General in Council to direct all the Provincial Governments to continue to pay all the State and Security prisoners their allowances at the rate at which they were being paid at the time of their release up to six months after their release so that they may re-seek out their source of income."

Sir, my request is a reasonable and modest one. While I quite appreciate the gradual release of the detained persons in response to public opinion throughout the country and thank the Governments, both Central and Provincial, for the good gesture made, I cannot but deeply grieve over the distressing conditions in which these people generally fall just after their release.

Sir, when these persons are suddenly taken away under detention for security reasons without trial, they are not declared guilty, although in the judgment of the Executive Government they may be so. Under detention these men are perforce kept away from their normal avocations and avenues of earning and employment. The indefinite period of detention causes them to lose contact with the ways and means of their livelihood. When they are suddenly arrested, no thought or consideration is given to them to enable them to dissociate themselves from their occupations, and when they are released with equal suddenness, they are not prepared in any way to adjust themselves to the conditions that confront them. It is not denied that some allowances are given to their families during the period of their detention. But very often such grants are mere doles, hardly adequate for the family needs. There are instances where despite such allowances the families have lived on the verge of starvation and nakedness.

Sir, private charities cannot help them because these charitable persons are not willing to disclose themselves for fear of the executive. Their families lose their staying power. They are reduced to poverty. When the detenus are sent back home, they become a drag upon their families. They lose touch with their old occupations and after release they are looked upon distrust and suspicion by their own people. Thus, unless the Government, who are responsible for their enforced restraint, from their normal conditions come to their rescue and give some assistance to them in those pathetic conditions, these released men become desperate, miserable and unhappy and become more or less terrorists. It is therefore meek and proper, Sir, for Government to assist them. For the rehabilitation of these men I appeal to the Central Government to grant at least six months' allowances to them. The other day, the Hon. the Home Secretary, in reply to my questions on the subject, told us that allowances in some cases during 1937 were given as compassionate allowance. Sir, the conditions under which in 1937 these allowances were allowed having remained the same, would it not be wise for the Government to grant those allowances in the shape of compassionate allowance? Sir, Government might say that it is the look-out of the Provincial Government to intervene in this matter and that the Central Government has nothing to do with it. Sir, my reply is that that the Central Government should pave the way at least by granting some allowances to those detenus who were taken into custody under the orders of the Central Government and recommend to the Provincial Government to follow a similiar course by forwarding copies of this Resolution and the proceedings thereon. Sir, every one is aware that these detenus are not well to do. They belong to the middle class people and when they are in custody they lose all touch with their old occupations. In these circumstances it is quite reasonable that the Government should give them an allowance. Sir, Government can spend a colossal amount over the successful prosecution of the war. Government are still continuing the top-heavy administration by continuing the Civil Supplies Department and other Departments. Can they not think it wise to do this during the transition period when there is a demand from the public for the payment of these allowances to these detenus after their release? Sir, I cannot make out why the Government should refuse a demand voiced by the public. The money that may be paid will be from the Indian Exchequer. I do not understand why the Government should raise the constitutional difficulty. The reason which actuated the Government to grant this allowance as a

compassionate allowance previously still holds good and in the name of compassionate allowance Government can easily yield to this modest request of the people's representatives in this House.

Sir, I move.

THE HON. MR. A. E. PORTER (Home Secretary): Sir, I shall take leave to speak to the Motion as moved. It was that the Governor General in Council should direct all Provincial Governments to continue to pay all the State and Security prisoners their allowances at certain rates.

I took it, Sir, that in putting down that Resolution the Hon. Member my old friend Rai Bahadur S. K. Das, did not intend us to consider the cases of those persons who have been made security prisoners by the Central Government. That was the interpretation which I placed upon it when I saw it on the order paper. But I see that he has now suggested, during the course of his speech, that this Government should pay persons detained under its own orders, upon release, certain sums paid to them during detention. Sir, I must oppose that. So far as this Government is concerned, there can, I think, be no question of establishing a general rule that persons who were detained for reasons of State or security should, upon release, be granted allowances.

So far as the Provincial Governments are concerned, I am, if I may say so, a little astonished that a Resolution of this kind should come from that side of the House. I know that my old friend is learned in constitutional and other laws and I therefore am perfectly certain that when he tabled this Resolution, he knew exactly under what powers he was calling upon the Central Government to intervene. Those powers, Sir, as all Hon. Members here know, are embodied in section 126-A of the Constitution Act which entitles the Central Government, during the validity of a Proclamation of Emergency, to "give directions to a Province as to the manner in which its executive authority shall be exercised."

Now, sir, I am surprised that it should be suggested that, in a matter which is not directly concerned with the emergency in respect of which the present Proclamation is in force, the Government of India should be asked to give a direction to a Province. It would, Sir, in my opinion be entirely improper that that power should be exercised in that way.

On the merits of the case, Sir, I should like to say something. Both the Hon. Member and myself have a certain acquaintance with conditions in the Province of Bengal; and it is true that in 1938, when that unhappy Province released a very large number of persons detained under its local legislation, in certain cases which were selected on account of the worthiness of the recipient certain allowances were made to enable the *ex*-detenu to settle in life. The same question, Sir, has come up again in Bengal in connection with security prisoners released during recent months. Those prisoners, Sir, were placed in detention by the orders of a Provincial Government exercising in that respect provincial autonomy. That Government after releasing its security prisoners was approached with the object of inducing it to pay allowances to these security prisoners on release. That Government refused; and when the case was taken up in the Legislature, I am informed that the Government still declined to intervene. Quite apart from the constitutional propriety of the action which the Hon. Member is asking the Government of India to take, I put it to the House that on merits it would be improper to intervene in that way in a matter upon which a Ministerial Government in a Province has taken a decision. This is not a question, Sir, of bludgeoning the Government to do something which is necessary for security, for the safety of the State. It appears to me that if Government were to take the action suggested, it would be an indefensible exercise of powers which are vested in it for an emergency and can properly be exercised only for a different purpose. Sir, I do not propose to detain the House. I must oppose this Resolution.

THE HON. MR. M. THIRUMALA ROW: Am I to understand that the Government of India have no objection to accept that part of the Resolution that affects them?

THE HON. MR. A. E. PORTER: There is no part of the Resolution which affects them?

THE HON. MR. M. THIRUMALA ROW (Madras: Non-Muhammadan): Mr. Chairman, it is very embarrassing for me to go to the Government of India asking them to show some consideration to those people who were the victims of the very Government under the Defence of India Rules. But still they have evolved a code of law or rules—whatever they may be—to see that men who have been deprived of their profession suddenly by detention without trial or any sort of charge against them should receive some consideration at the hands of the Government. Today the Hon. the Home Secretary has given us a series of instructions with regard to the constitutional propriety of the acts of the Government of India. During the discussion of the Resolution on recruitment to the I.C.S. he said it was the function of the Secretary of State to recruit these people and the Governor General in Council has no constitutional position. Now, when my friend asks for a direction to Provincial Governments, he quotes, as usual, the scripture of the Government of India Act and says it is unconstitutional. I want to know what has happened to your constitutional position when you have categorised all the detenus into two classes, the Government of India prisoners and Provincial Government prisoners. There was such a lot of confusion. I was myself a detenu for nearly two years under the Government of Madras and there were some others in Madras Province who were arrested and detained under the orders of the Central Government. During this period when there was such a huge commotion in the country, there were 4 Provincial Governments running their Ministries, the Bengal Government, the Punjab Government, the Sind Government and the North-West Frontier Government which placed Congressmen under detention with the connivance of a reactionary party and installed Minority Ministries into power. What happened, I want to know, to all the constitutional orthodoxy of the Government of India and the Member who represents them here during that period when they set aside ordinary decencies and threw people pell-mell into prison without trial or without any semblance of decency. You have directed Provincial Governments to arrest large numbers of persons under the Defence of India Rules. But if there is any defect in the word "direct", you can recommend to Provincial Governments to treat cases of people who have been deprived of their earning capacity leniently. Most of them are the only props of their families. You have deprived nearly 18,000 to 25,000 of their livelihood during that period. I am not in a position to know the exact number of political prisoners who are still in detention in Bengal, the Punjab and other Provinces. But Bengal is the worst affected province in the whole of India in this matter, because this rule has been in operation from the time war was on for things unconnected with the political movement. It is the elementary duty of a Government, when once they have deprived a man, for security reasons, of his livelihood to see that he is rehabilitated in his normal life. It is a very modest request. There will be no harm if the Government of India and the Hon. Member accept the Resolution and assure us that they will recommend the procedure to Provincial Governments. It is strange that though the Legislature has recommended it the Bengal Government has refused it. I do not know if there was any discussion in the Bengal Legislature about the matter; but the Bengal Government has refused it. The Punjab Government has treated likewise detenus under its control. We know what the Bengal Government was and what the Punjab Government was. They were the Governments of the Chief Secretaries of those Provinces and nothing more. Therefore the same tradition and the same policy is being followed by the Provincial Governments as is dictated by the Central Government.

I was very diffident to bring this matter before Government. It is a question of self-respect too—for people who have suffered at the hands of the Government, and for the representatives of the people, coming to this very Government to ask them to rehabilitate them——but still I may say that for an emergency you may have to restrain some people but there must be some note of mercy in your conduct and you must see that all these people, who were unjustly or justly detained, are made to stand on their legs. This is a modest

request which Government should accept. There should be no question of elected and nominated members differing in this case and I hope, Sir, the House will adopt the Resolution.

MR. CHAIRMAN: (the Hon. Mr. M. N. Dalal): I think this is a convenient time to adjourn. The debate on this Resolution will be resumed on the next non-official day.

THE HON. PANDIT HIRDAY NATH KUNZRU: I think we had better continue. The debate should be over in a few minutes.

THE HON. SIR MAHOMED USMAN (Leader of the House): I don't think it will be over in a few minutes. There are a number of speakers.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): I think it will be better to postpone it to the next non-official day.

STANDING COMMITTEE FOR THE COMMERCE DEPARTMENT

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): With reference to the announcement made by the Hon. the President on the 11th March, 1946, regarding nominations to the Standing Committee to advise on subjects with which the Commerce Department is concerned, I have to announce that the following Hon. Members have been nominated for election to that Committee :—

1. The Hon. Mr. Abdool Razak Hajee Abdool Suttar.
2. The Hon. Mr. G. S. Motilal.
3. The Hon. Rai Bahadur Satyendra Kumar Das.

There are three candidates for three seats and I declare them duly elected.

The Council then adjourned till Eleven of the Clock on Wednesday, the 20th March, 1946.

Wednesday, 20th March, 1946

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

MEMBER SWORN :

The Hon. Mr. Satyendra Mohan Dhar (Nominated Official).

QUESTIONS AND ANSWERS

CORRIDOR TROUGH MADRAS PRESIDENCY.

167. THE HON. RAJA YUVERAJ DUTTA SINGH : Is it a fact that a proposal has been made to Government for the transfer, out of British India, of about one hundred mile corridor through Madras Presidency up to the Bay of Bengal and that this transfer of territory is under consideration ? If so, will Government make a full statement on the subject ?

THE HON. SIR MAHOMED USMAN: The answer to the first part of the question is in the negative. The second part does not arise.

TUNG HSIANG SADIYA COMPANY

168. THE HON. RAJA YUVERAJ DUTTA SINGH : Will Government give the main details as are available of the Tung Hsiaang Sadiya Company, which has been formed to operate about 1500 pack animals in relays between Sadiya and India, and Hsianwah (Yunnan) and Kangting (Sikiang) to trade between India and China ?

THE HON. MR. Y. N. SUKTHANKAR : The Government of India received a report last year that a company known as the Tung Hsing Sadiya Company had been formed with the objects stated in the question but, so far as Government are aware, no such company has ever operated in India and nothing is known of its activities elsewhere.

IMMIGRATION OF INDIANS INTO THE UNITED STATES.

169. THE HON. MR. P. N. SAPRU : Will Government state the steps, if any which they have taken to press on the United States Administration the desirability of passing the Cellar Bill at an early date ?

THE HON. SIR MAHOMED USMAN : The Agent General continues to represent to the State Department of the United States Government the importance to Indo-American relations of the early enactment of the Bill. The President of the United States and the State Department are taking an active and sympathetic interest in the measure which, having been passed by the United States House of Representatives, is now under consideration by a sub-committee of the Senate Committee on Immigration.

LAUNCHING OF NEW ENTERPRISES BY AMERICAN BUSINESSMEN

170. FLIGHT-LIEUT. THE HON. RUP CHAND : Will Government state : (*a*) Whether any agreement has been reached by British and American officials as a result of which American businessmen coming to India to launch new enterprises will have the necessary facilities ; if so, a copy of the agreement may be laid on the table ?

(*b*) Whether British officials have now the power to grant passports to United States business men without referring the matter to the Government of India ; if so the reason for the assumption of this power ?

NOTE —The Hon. Rai Bahadur Sri Narain Mahtha put the questions standing in the name of the Hon. Raja Yuveraj Dutta Singh and the Hon. Pandit Hirday Nath Kunzru put the questions standing in the name of the Hon. Mr. P. N. Sapru.

(c) Whether the attention of Government has been drawn to a news item circulated by Reuter and published in Indian newspapers early in February, referring to the announcement of an agreement, as described in (a) and (b) by U. S. Assistant Secretary of States, Mr. Donald Russell, in his talk with Democratic Representative Emanuel Celler; and whether this news item is correct?

THE HON. MR. A. E. PORTER: (a) No such formal agreement has been entered into.

(b) Government have authorised British Passport Control Officers in the United States to grant visas for India, without reference to the Government of India, to American businessmen subject to satisfactory personal record and limitation of stay to the period necessary for the purpose for which entry is sought. This discretion vested in these Officers before the war; and with the end of the war it has been restored.

(c) Government have seen the news item referred to; the position is as stated in the answer to clause (b).

DETENTION OF MEMBERS OF THE AFGHAN ROYAL HOUSE

171. THE HON. RAJA YUVERAJ DUTTA SINGH: Is it a fact that about fifteen members of the Afghan Royal House have been secretly held in detention in India by Government since about 1941? If so, will they make a full statement on the subject stating their names, their alleged offences, the law under which they have been so dealt with, the place where they are confined and the future plan in connection with their release?

THE HON. SIR MAHOMED USMAN: There are ten persons detained in India who are connected in varying degree with previous dynasties in Afghanistan. Their names are as follows:—

1. Sardar Ghulam Ahmed, s/o Sardar Ali Ahmed Jan.
2. Sardar Fazal Ahmed, s/o Sardar Ali Ahmed Jan.
3. Sardar Ali Muhammad, s/o Sardar Ali Ahmed Jan.
4. Sardar Fakir Ahmad, s/o Sardar Ali Ahmed Jan.
5. Musammat Shah Bano, wife of Sardar Ali Ahmed Jan.
6. Musammat Shah Gul, wife of Sardar Ghulam Ahmed.
7. Musammat Mah Gul, wife of Sardar Ghulam Ahmed.
8. Musammat Mah Gul, wife of Sardar Ali Muhammad.
9. Sardar Abdullah Jan, s/o of Sardar Mohd. Ishaq Khan.
10. Sardar Mohd. Hasan Khan, s/o Sardar Mohd. Ishaq Khan.

The first eight are in detention since June 1941, while the remaining two have been detained only recently. All are detained under Regulation III of 1818, the first eight in the Karwar jail in the Bombay Presidency, and the other two in the Quetta District jail.

Sardars Ghulam Ahmed and Fazal Ahmed surrendered to officers of the Government of India after they had tried unsuccessfully to organise a revolt against the Government of Afghanistan from a base in Tirah on the N. W. F. of India. They surrendered unconditionally and were soon after joined by their six relatives mentioned.

These persons were originally allowed to live in a private house but in 1941 they caused a disturbance and used violence in the Bombay Secretariat and their continued truculence thereafter necessitated their confinement in Jail. The question of their continued detention or restriction is about to come under review.

The remaining two persons, *viz*, Abdullah Jan and Muhammed Hasan Khan are detained as they are implicated in the attempt of their brother Sultan Ahmed to stir up rebellion against the Afghan Government from a base in Waziristan. The question of their continued detention or release will be reviewed from time to time in accordance with Regulation III of 1818.

THE HON. MR. HOSSAIN IMAM : Is it the policy of the Government to house persons detained under Regulation III of 1818 in jails ? Or are they mostly detained in private houses and confined in places ?

THE HON. SIR MAHOMED USMAN : Notice, Sir.

THE HON. RAI BAHADUR SRI NARAIN MAHTHA : The Hon. Member stated that their cases were likely to come under review. Are the cases likely to come under review by a court of law or by the Executive Government ?

THE HON. SIR MAHOMED USMAN : By the Government, of course.

THE HON. MR. HOSSAIN IMAM : Have the cases been reviewed before, or is the first time that the review will take place ?

THE HON. SIR MAHOMED USMAN : Notice, Sir.

HIGH DENOMINATION NOTES

172. FLIGHT-LIEUT. THE HON. RUP CHAND : Will Government state the exact volume of high denomination notes of the value of Rs. 10,000, Rs. 1,000 and Rs. 500 in gross circulation on December 31, 1945 and the exact proportion of the amounts held by Banks, treasuries and the general public, respectively ?

THE HON. SIR CYRIL JONES : The relevant figures are :—

Rs. 500 denomination Rs. 26,30,000

Rs. 1,000 denomination Rs. 1,15,39,96,000

Rs. 10,000 denomination Rs. 19,26,30,000

Government have no information as to the exact proportion of these notes held by Banks, treasuries and the general public respectively on that date.

THE HON. MR. HOSSAIN IMAM : Is this the figure which was in circulation before the Ordinance or after the Ordinance ?

THE HON. SIR CYRIL JONES: Will the Hon. Member kindly read the question ?

THE HON. MR. HOSSAIN IMAM : I have read the question, and therefore I am asking this question. The date mentioned in the question is 31st December.

THE HON. SIR CYRIL JONES : The Ordinance was issued in January.

THE HON. MR. HOSSAIN IMAM : But has the Hon. Member any later figure ? What is the position now ?

THE HON. SIR CYRIL JONES : The figures I gave naturally relate to the terms of the question as asked. I have given, in response to previous questions, corresponding figures in respect of the values of high denomination notes in circulation as on the 11th January, 1946.

NUMBER OF COMBATANT OFFICERS IN THE INDIAN ARMY

173. THE HON. PANDIT HIRDAY NATH KUNZRU : (*a*) What is the total number of Indian and British combatant officers in the Indian Army ? How many of the latter are British service officers and how many Indian service officers ?

(*b*) Will Government give corresponding figures for medical officers in the Indian Army ?

THE HON. MR. A. D. F. DUNDAS (*a*) The total numbers of all categories of officers serving with the Indian Army (excluding Medical Services) on the 1st February 1946 were as follows :—

British Service officers attached to Indian Army	14,755
British officers, Indian Army	15,241
Indian officers, Indian Army	8,941
Total . .	**38,937**

(*b*) The corresponding figures for Medical Officers in the Indian Army on the 1st March were—

British	425
Indian	5,641
Total	6,066

NUMBER OF PERMANENT COMBATANT OFFICERS IN THE INDIAN ARMY

174. THE HON. PANDIT HIRDAY NATH KUNZRU: (*a*) What is the total number of permanently commissioned Indian and British combatant officers respectively in the Indian Army? What is the number of such officers in each rank?

(*b*) What are the corresponding figures for the Indian and British officers in the I. M. S.?

THE HON. MR. A. D. F. DUNDAS: (*a*) and (*b*). I lay a statement on the table

Statement

(*a*) The strength of regular officers of the Indian Army (excluding Medical Services) distributed according to substantive ranks is as follows:—

	Cols. and above	Lt.-Cols.	Majors	Captains	Sub-alterns	Total
British	142	705	491	717	339	2,394
Indian	..	..	43	254	233	530
Total	142	705	534	971	572	2,924

Separate figures are not available for acting, temporary or war substantive ranks.

(*b*) The corresponding figures for the Indian Medical Service are as follows:—

	Cols. and above	Lt-Cols.	Majors	Captains	Total
British	20	79	161	78	338
Indian	9	48	67	16	140
Total	29	127	228	94	478

NUMBER OF OFFICERS IN THE R. I. N., R. I. N. R. AND R. I. N. V. R.

175. THE HON. PANDIT HIRDAY NATH KUNZRU: What is the total number of Indian and British officers, respectively, in the R.I.N., R.I.N.R. and R.I.N.V.R.?

THE HON. MR. A. D. F. DUNDAS: On the 1st of this month, the figures were:—

	Indian	British
R. I. N.	77	158
R. I. N. R.	72	127
R. I. N. V. R.	1,097	437

NUMBER OF INDIAN OFFICERS IN THE R. I. A. F.

176. THE HON. PANDIT HIRDAY NATH KUNZRU: What is the number of Indian officers in the R. I. A. F. and how many of them hold permanent commissions? How many R.A.F. officers are serving in the R.I.A.F. at present?

THE HON. MR. A. D. F. DUNDAS: The number of Indian officers in the R.I.A.F. is 1,419. Of these, seven hold permanent commissions. It has been decided, as an interim measure, to grant a further ninety permanent commissions as soon as possible. Seventy-two officers have already been selected for these commissions subject to medical fitness. Further selections will be announced at an early date.

The Royal Indian Air Force is a wholly Indian force. No R.A.F. officers can, therefore, serve in it. At one stage, however, a certain number of R.A.F. Officers were attached to squadrons of the R.I.A.F. This is no longer the case and I am able to assure the House that a position has now been reached where all 10 squadrons of the Royal Indian Air Force are officered throughout by Indian officers.

NUMBER OF APPLICATIONS RECEIVED FOR PERMANENT COMMISSIONS IN THE INDIA ARMY, ETC.

177. THE HON. PANDIT HIRDAY NATH KUNZRU: (*a*) What is the number of Indians who have applied for permanent commissions in the Indian Army, R.I.N. and R.I.A.F., respectively, upto 15th February, 1946?

(*b*) How many applications have been disposed of and how many applicants have been selected for permanent commissions in each service?

THE HON. MR. A. D. F. DUNDAS:

(*a*) Indian Army	2,500
R. I. N.	577
R.I. A. F.	477

(*b*) 1,790 Army applicants have been interviewed, out of whom 105 have so far been granted Commissions and the grading of the rest is under consideration.

461 of the R.I.N. applicants had been interviewed by the 15th of last month. Out of these, 35 have so far been selected for commissions, 223 have been found unsuitable and the cases of the remaining 203 are still being considered.

As regards the R.I.A.F. 210 candidates had been interviewed up to the 15th December last; 72 of these have so far been selected, subject to medical fitness.

THE HON. PANDIT HIRDAY NATH KUNZRU: May I ask with regard to the R. I. N. how it is that the proportion of those who have been granted Commissions is so small as compared with the proportion of the applicants selected for Commissions in the Army and the R. I. A. F.?

THE HON. MR. A. D. F. DUNDAS: I can only say that the Boards have recommended approximately half of the candidates whom they interviewed as being unsuitable, partly for technical qualifications and partly for the general qualifications necessary for an officer.

THE HON. PANDIT HIRDAY NATH KUNZRU: Are these Boa rds following in the case of the R. I. N. a higher standard? Have the Boards laid down a higher standard in the case of the R. I. N. than in the case of the other two services?

THE HON. MR. A. D. F. DUNDAS: I am not aware of that, Sir.

THE HON. PANDIT HIRDAY NATH KUNZRU: Will Government inquire into the reasons for the small proportion of the applicants taken into the R. I. N.?

THE HON. MR. A. D. F. DUNDAS: I will endeavour to find an answer to that, Sir.

VEGETABLE GHEE

178. THE HON. MR. G. S. MOTILAL: Will Government state:—

(*a*) The quota fixed for each province for the annual production of additional two lacs tons of vegetable ghee by new factories?

(*b*) The quota fixed for each province for the annual target production of 1·25 million tons by the existing factories?

See reply to question No. 179.

VEGETABLE GHEE

179. THE HON. MR. G. S. MOTILAL: Will Government state:—

(*a*) What is the quota fixed for each province for the desired annual production of additional two lacs tons of vegetable ghee by new factories?

(*b*) What is the quota fixed for each province for the annual target production of 1·25 million tons by the existing factories?

THE HON. SIR JWALA PRASAD SRIVASTAVA: (*a*) Additional production anticipated under the Immediate Scheme for the expansion of the vanaspati industry is 1,57,500 tons which has been distributed among the different provinces as follows:—

Province	Annual capacity allotted in tons
Bengal	37,500
Bihar	7,500
Orissa	7,500
Madras	33,000
C. P. & Berar	7,500
Bombay	10,500
Total for British India	103,500
Total for Indian States	54,000
Grand Total	157,500

(*b*) No such target is contemplated. A Committee is considering a long range plan for the expansion of the industry.

THE HON. KHAN BAHADUR KERAMAT ALI: Has no quota been allotted to Assam?

THE HON. SIR JWALA PRASAD SRIVASTAVA; No, Sir.

THE HON. KHAN BAHADUR KERAMAT ALI: What are the reasons?

THE HON. SIR JWALA PRASAD SRIVASTAVA: As far as I know, they have no raw material.

THE HON. MR. M. THIRUMALA ROW: Are parties who are not allotted under this quota entitled to open their own factories within those areas for hydrogenated ghee?

THE HON. SIR JWALA PRASAD SRIVASTAVA: No, Sir. We have tried under whatever powers we may have to prevent that in order that there may be a planned development of the industry.

THE HON. MR. M. THIRUMALA ROW: Are Government aware that capitalists from Northern India are now starting factories over and above parties that have already been given permission? I have to-day received a complaint from Hospet.

THE HON. SIR JWALA PRASAD SRIVASTAVA: Well, Sir, a lot of things are done which I cannot take responsibility for.

THE HON. MR. M. THIRUMALA ROW : Have you got power to prevent such intrusion by outsiders beyond the permission given by Government ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : The powers that Government have consist of (1) consent to issue of new capital and (2) import licences. No import licences have been granted since we adopted planning to parties whom we did not select. But it is possible that some people may have registered their orders before we started planning.

THE HON. MR. M. THIRUMALA ROW : Will Government take powers to prevent such people circumventing their existing powers ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : That is a larger question which I believe the Planning and Development Department is considering.

THE HON. MR. HOSSAIN IMAM : Is the statement that the quota for new mills was fixed at 2 lakhs tons correct ? You have given a statement here that the total was 1,57,500 tons. But the quota mentioned in the question is 2 lakhs tons.

THE HON. SIR JWALA PRASAD SRIVASTAVA : No, Sir, that is not correct. I have given the correct figures.

THE HON. MR. HOSSAIN IMAM : You have issued licences. The Planning Department fixed a quota and from that quota you have distributed. Is that so ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : No, we never accepted that.

THE HON. MR. HOSSAIN IMAM : The Planning Department quota was never accepted by you ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : They did not fix any quota. We fixed the quota. The Food Department know the matter best.

THE HON. MR. HOSSAIN IMAM : There is some confusion, Sir. The Planning Department fixed a quota, that so much should be distributed by the Food Department. The Food Department had no hand. I say it with all responsibility. I want to know whether all the quota has been exhausted.

THE HON. SIR JWALA PRASAD SRIVASTAVA : There was no quota allotted to us by the Planning Department. We went into the whole matter ourselves and we fixed a quota according to the requirements of the country.

THE HON. PANDIT HIRDAY NATH KUNZRU : What is the target laid down by the Food Department ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : We fixed as a short-term measure about 1½ lakhs tons but the long-term matter is still under consideration.

THE HON. KHAN BAHADR KERAMAT ALI : Was the Assam Government consulted as to whether raw material would be available within the Province for the production of vegetable ghee ?

THE HON. SIR JWALA PRASAD SRIVASTAVA ; I could not reply to it off-hand but we know that they have not got the raw material. My friend cannot tell me that there is raw material for the manufacture of vanaspati ghee in Assam.

THE HON. MR. HOSSAIN IMAM : In many provinces to which you have allotted quotas there is no groundnut produced, for example Bihar.

THE HON. SIR JWALA PRASAD SRIVASTAVA : That is a matter for discussion.

THE HON. KHAN BAHADR KERAMAT ALI : What is the source of the Hon Member's information that Assam has no raw material ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : We are supposed to know those elementary things.

THE HON. SIR SHANTIDAS ASKURAN: One explanation I would like to have from you. You said that capital issue will be sanctioned to those parties whom Government choose, to the parties to whom quota is allotted.

THE HON. SIR JWALA PRASAD SRIVASTAVA: To whom import license is given.

THE HON. SIR SHANTIDAS ASKURAN: Suppose there is a private party who does not want to float a company but finance it from his own pocket and he can manufacture ghee. Will Government object to that?

THE HON. SIR JWALA PRASAD SRIVASTAVA: We shall not facilitate a thing like that.

THE HON. SIR SHANTIDAS ASKURAN: But you would not object, Sir?

THE HON. SIR JWALA PRASAD SRIVASTAVA: If we can object, we will. Object we will.

THE HON. SIR SHANTIDAS ASKURAN: Object means what? What will you do?

THE HON. SIR JWALA PRASAD SRIVASTAVA: We will object.

THE HON. SIR SHANTIDAS ASKURAN: By order, Sir? Will you stop them doing it by special orders?

THE HON. SIR JWALA PRASAD SRIVASTAVA: As I have said, Government have not yet got any legal power to enforce the licensing of industry. That is a matter which is under consideration by the Planning and Development Department. But with such powers as we possess to-day we try to plan industry.

THE HON. SIR SHANTIDAS ASKURAN: Up to now you have no power to stop that?

THE HON. SIR JWALA PRASAD SRIVASTAVA: That is for you to infer.

THE HON. MR. M. THIRUMALA ROW: I want to know what Government will do to prevent parties circumventing their licensing power by going to a neighbouring State and starting a factory to the detriment of factories that are licensed by the Government? In fact a factory is being started in Sandur to the detriment of the factory for which license has been given in Hospet. A big North Indian firm has gone there.

THE HON. SIR JWALA PRASAD SRIVASTAVA: We can debate it as long as we like. I cannot add anything more to what I have said.

THE HON. MR. HOSSAIN IMAM: I want to put a concrete question. Is it a fact that the Crown Representative has taken power unto himself to prevent unauthorised industrial development in Indian States?

THE HON. SIR JWALA PRASAD SRIVASTAVA: No, I do not think so, Sir. I am not aware of it anyway.

THE HON. MR. HOSSAIN IMAM: What is the guarantee that it will not be circumvented by Indian States?

THE HON. SIR JWALA PRASAD SRIVASTAVA: I have already explained. You can debate it as along as you like. We have got two powers just now. One is in respect of capital issues. The other is in respect of the grant of licences for the import of machinery. Those are the two weapons we have got.

THE HON. MR. HOSSAIN IMAM: Indian States have got their own ports.

THE HON. SIR JWALA PRASAD SRIVASTAVA: Doubtless they have.

THE HON. MR. M. THIRUMALA ROW: Question No. 179 is the same as 178. The same question has been repeated. They are the same.

EXPORT OF FOOD STUFFS

180. FLIGHT-LIEUT. THE HON. RUP CHAND: Will Government state:

(*a*) Whether food articles of various descriptions are still being exported from India by land or sea?

(*b*) Whether, in view of the grave threat of famine in this Country, do Government propose to put an embargo on the export of food articles at once to conserve supplies?

THE HON. SIR JAWALA PRASAD SRIVASTAVA: (*a*) Export of certain foodstuffs other than foodgrains, which are surplus to internal requirements, is allowed in restricted quantities.

(*b*) The export policy is kept under constant review and adjusted to changing conditions of supply and demand.

THE HON. MR. HOSSAIN IMAM: Will the Hon. Member tell us what are the excess productions in India which he is permitting to be exported?

THE HON. SIR JWALA PRASAD SRIVASTAVA: I cannot prepare a statement at a moment's notice.

THE HON. MR. V. V. KALIKAR: Can you give us an idea of the articles of food which you have been exporting?

THE HON. SIR JWALA PRASAD SRIVASTAVA: Speaking from memory, which is not very good sometimes, who have allowed, for example, export of dried fish in small quantities. We have allowed export of small quantities of onions from Madras to Ceylon. That has been an old trade. Some parts of South India send out some small quantities of onions. Then some small quantities of potato s have gone out from Madras to Ceylon. Garlic has gone out and things of that kind. A lot of tamarind goes out of India.

THE HON. MR. HOSSAIN IMAM: Any foodgrain?

THE HON. SIR JWALA PRASAD SRIVASTAVA: No foodgrain. Walnuts, pistachio nuts and things of that description.

THE HON. SIR SHANTIDAS ASKURAN: The Hon. Member is aware that groundnut is also used by the poor people as alternative food.

THE HON. SIR JWALA PRASAD SRIVASTAVA: I have not mentioned groundnuts.

THE HON. SIR SHANTIDAS ASKURAN: When we have shortage of food 300,000 tons of groundnuts were allowed to be exported.

THE HON. SIR JWALA PRASAD SRIVASTAVA: When was it allowed to be exported?

THE HON. SIR SHANTIDAS ASKURAN: It is the Customs statistics; it is not my figure, Sir.

THE HON. SIR JWALA PRASAD SRIVASTAVA: Yes, in the old days there was a surplus of groundnuts; and exports were allowed on a much smaller scale than previously. But now we have stopped it.

THE HON. MR. HOSSAIN IMAM: Since when?

THE HON. SIR JWALA PRASAD SRIVASTAVA: On the day I am talking we have stopped it.

THE HON. MR. HOSSAIN IMAM: To-day?

THE HON. SIR JWALA PRASAD SRIVASTAVA: We have stopped it for some time.

ESTABLISHMENT OF AN AIRCRAFT INDUSTRY

181. THE HON. RAJA YUVERAJ DUTTA SINGH : Will Government make a statement relating to the proposal of establishing an aircraft industry in India, with such financial and administrative details as may be deemed necessary to explain the proposal in concrete form ?

LT.-GENERAL THE HON. SIR THOMAS HUTTON : Government have come to the view that steps should be taken to establish if possible an Aircraft Industry in India. They are now arranging, in consultation with the Ministry of Aircraft Production, for a technical Mission from the U. K. to come to India and advise them on the location of the plant, the organisation of the proposed factory, the production programme, the financial implications and other connected questions. Government will be glad to make a fuller statement after they have considered the report of this Mission.

FORMATION OF FRONTIER PROVINCE IN ASSAM

182. THE HON. RAJA YUVERAJ DUTTA SINGH : Is there any proposa to form a Frontier Province in Assam by cutting out the Hill districts of the Province ? If so, will Government state the main features of the scheme, together with its financial and administrative implications ?

THE HON. SIR MAHOMED USMAN : The reply to the first part of the question is in the negative.

The second part does not arise.

FOOD SITUATION IN BIHAR

183. THE HON. RAJA YUVERAJ DUTTA SINGH : (*a*) Will Government state what proposals were made by the Government of Bihar to the Government of India before the recent Food Debate in the Central Assembly regarding the methods to meet the food situation in that Province, but which Government turned down ?

(*b*) Are Government aware that the food situation in Bihar is very serious. What steps have been taken or are proposed to be taken to improve substantially the situation ?

(*c*) Do they propose to give Bihar at least her pre-war quota of imports of food to ease the threatened seriousness of the position to some extent ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : (*a*) The only proposal of the Bihar Government which was not acceptable to the Government of India pertained to an increase in the statutory maximum price for rice.

(*b*) and (*c*). The Government of India are aware that Bihar needs assistance from outside. A quota of foodgrains based on our existing resources has already been allotted to Bihar. Whether the Government of India will be able to give Bihar her pre-war quota of imports, depends upon the volume of imports made available.

LEAGUE OF NATIONS

184. THE HON. RAJA YUVERAJ DUTTA SINGH : (*a*) Are Government aware that the final session of the League of Nations will begin on the 8th April next to wind up the League and transfer its assets to the United Nations Organisation ?

(*b*) Has India received any invitation to attend ? If so, who will represent this country ?

(*c*) Has India been committed to the payment of any financial contribution to the new organisation which will replace the old one ; if so, how much ?

(*d*) Will the Central Legislature be consulted before this country is committed of any such financial obligation ? If not, why not ?

(*e*) What steps have Government taken or propose to take to ensure that if India is asked to make any financial contribution to the new organisation, she would be adequately represented by her nationals on its Secretariat and other effective positions in the organisation ?

THE HON. SIR MAHOMED USMAN : (*a*) Yes.

(*b*) Yes. Sir Atul Chatterjee has been invited to lead the delegation and the selection of the second delegate is under consideration.

(*c*) Yes. Under Article 17 of the Charter of the United Nations the Members are required to contribute to the United Nations Organisation. The General Assembly will determine the allocation of expenses of the Organisation among the member nations when it adopts its first budget later this year.

(*d*) Does not arise.

(*e*) All possible steps have been and will be taken to ensure adequate representation of Indians on the staff of the United Nations Secretariat.

THE HON. MR. HOSSAIN IMAM : Can the Hon. Member enlighten us in what capacity Sir Nazimuddin has been asked to join India's delegation to the United Nations ?

THE HON. SIR MAHOMED USMAN : Notice, Sir.

NUMBER OF BRITISH TROOPS IN INDIA

185. THE HON. PANDIT HIRDAY NATH KUNZRU : What is the number of British troops in India at present ?

THE HON. MR. A. D. F. DUNDAS : I regret it would not be in the public interest to disclose the figure.

THE HON. PANDIT HIRDAY NATH KUNZRU : What are the reasons for which Government consider themselves unable to give this information ?

THE HON. MR. A. D. F. DUNDAS : Sir, it is never in the public interest to disclose the figures of dispositions of troops. I regret I cannot go any further than that.

THE HON. PANDIT HIRDAY NATH KUNZRU : I have not asked for a disclosure of the dispositions of British troops throughout the world. All that I have asked for is the number of British troops in India, which certainly will not enable any person to know what the number of British troops in other parts of the world is ?

THE HON. MR. V. V. KALIKAR : Now that the war is over I think there is no danger in giving the information asked for.

THE HON. MR. A. D. F. DUNDAS : Sir, I regret I have nothing to add to my previous answer.

THE HON. MR. HOSSAIN IMAM : Could the Hon. Member give us some indication of the reductions made in the British troops in India since the V-E Day ?

THE HON. MR. A. D. F. DUNDAS : Not without notice.

THE HON. MR. HOSSAIN IMAM : Could he say if there is any proportion about them : that 20 per cent or ten per cent have been sent back ?

THE HON. MR. A. D. F. DUNDAS : No, Sir, I do not carry the figures in my head at all.

THE HON PANDIT HIRDAY NATH KUNZRU : I have not yet asked question No. 186, but could the Hon. Member answer part (*a*) of that question if it is contrary to the public interest to answer part (*b*) ? Moreover, Government having supplied figures of British and Indian officers in the Indian Army what is the objection really to letting us know what the number of British troops in India is ? How is this different from the other thing ?

THE HON. MR. A. D. F. DUNDAS : Sir, as I have already said I regret I can add nothing to my previous answer that it would not be in the public interest to disclose the number.

THE HON. PANDIT HIRDAY NATH KUZRU : That means that you just do not want to do it.

(No answer).

NUMBER OF INDIAN TROOPS ABROAD

186. THE HON. PANDIT HIRDAY NATH KUNZRU : (*a*) What is the total number of Indian troops abroad ?

(*b*) What are the countries in which they are serving ?

THE HON. MR. A. D. F. DUNDAS : (*a*) I regret that it would not be in the public interest to disclose the number of Indian troops abroad.

(*b*) Indian troops are serving overseas in the following countries :—

Far East	Middle East
Burma	Italy
Malaya	Dodecanese Islands
Siam	Iraq
Hong Kong	Levan
Japan	Cyprus
Celebes	Palestine
North Borneo	Egypt
Java	Cyrenaica
Sumatra	Aden
Cocos Islands	
Ceylon	

NUMBER OF DETAINED I. N. A. PERSONNEL IN BURMA, SIAM, ETC.

187. THE HON. PANDIT HIRDAY NATH. KUNZRU : (*a*) What is the number of Indian soldiers belonging to the I.N.A. in detention in Burma, Siam, Indo China and Malaya, respectively ?

(*b*) Do Government propose to take steps to bring them back to India as soon as possible ?

THE HON. MR. A. D. F. DUNDAS : (*a*) On the 15th of last month the number of Indian soldiers who had joined the I.N.A. and were consequently detained overseas was 3,011, of whom 15 were in Burma, 1,132 in Malaya and 1,864 on Singapore Island

(*b*) These men are being returned to India as quickly as possible, but are not being given priority for shipping accommodation over soldiers who have continued to perform their duty and who are being repatriated or coming on leave. It is expected all will have been sent back before the end of next month.

DETENTION OF INDIANS IN SIAM AND INDO-CHINA

188. THE HON. PANDIT HIRDAY NATH KUNZRU : (*a*) Have any Indians not belonging to the Indian Army been arrested by or at the instance of the Government of India in Siam and Indo-China ? If so, what is their number in each case ?

(*b*) Where are they detained ? Do Government propose to try them in their places of detention ? If not, how do they propose to deal with them ?

THE HON. MR. A. E. PORTER : (*a*) When the war was still in progress and military operations in Siam and French Indo-China were expected, the Government of India furnished to the military authorities certain information about local collaborators, with a view to their being arrested. At that time it was contemplated that

these persons would fall into our hands before the end of hostilities. In fact, however, the war ended before military operations which were in contemplation were launched against these countries ; and upon the surrender of Japan, the Government of India were no longer interested in these cases. Such arrests as were actually made were accordingly ordered by the military authorities on their own initiative and in the interests of military security.

(*b*) The only Indian civilians in these countries at present detained are about 350 civilian I.N.A. and I.I.L. members from Siam who are awaiting repatriation at Singapore. The Government of India do not propose to try them or to take any other action against them.

THE HON. PANDIT HIRDAY NATH KUNZRU : Are Government aware that some time ago about 700 people sent ostensibly from Siam to India were detained in Singapore ?

THE HON. MR. A. E . PORTER : Sir, there is a discrepancy about the figures. I believe that the Hon. Member is referring to the same people whose number I have given as 350 in my answer to part (*b*) of the question. I think he is referring to a batch of people who according to my information number 350 but whom I have seen referred to as about 700.

THE HON. PANDIT HIRDAY NATH KUNZRU : Have any of these people been released in Singapore itself during the last month or two ?

THE HON. MR. A. E. PORTER : Sir, so far as I can understand the situation all of them, with the exception of about 10 or 20, are now on their way to India or have already reached India.

THE HON. PANDIT HIRDAY NATH KUNZRU : Are they being sent to India at their own request or are they being, so to say, deported by Government ?

THE HON. MR. A. E. PORTER : I would require notice of that question.

THE HON. PANDIT HIRDAY NATH KUNZRU : What is going to be done with the rest ? Will they be sent back to Siam or will they, at the pleasure of Government be sent to India or to any other part of the Empire ?

THE HON. MR. A. E. PORTER : That is again a question on which I have no information. I shall have to ask for notice.

THE HON. PANDIT HIRDAY NATH KUNZRU : If the Hon. Member will read part (*b*) he will see that it asked for information on these points.

THE HON. MR. A. E. PORTER : Sir, the question asked :—

"(*b*) Where are they detained : Do Government propose to try them in their places of detention ? If not, how do they propose to deal with them ?" and I have replied that there are about 350 civilian I.N.A. and I.I.L. members from Siam who are awaiting repatriation at Singapore and that the Government do not propose to try them or to take any other action against them. So far as I know Government has no intentions in respect of these people.

THE HON. PANDIT HIRDAY NATH KUNZRU : These people having been taken out of the country in which they were living must be told as to what is going to be done with them: whether they will be sent back to Siam or to any other country ?

THE HON. MR. A. E. PORTER : I have no doubt that the Government or Administration which is responsible will take any measures which may be necessary in that behalf.

THE HON. PANDIT HIRDAY NATH KUNZRU : Will Government see that these people, unless they want to come to India, are sent back to Siam where they were carrying on business ?

THE HON. MR. A. E. PORTER : I cannot answer that question.

THE HON. PANDIT HIRDAY NATH KUNZRU: Will Government enquire into the matter ?

THE HON. MR. A. E. PORTER: If the Hon. Member will give notice of that question, information such as is available will be obtained for him.

DETENTION OF CIVILIAN MEMBERS OF THE AZAD HIND MOVEMENT IN EUROPE

189. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Will Government state how many civilian members of the Azad Hind movement are in detention in several British camps in Europe ?

(*b*) Is it a fact that many workers of the Azad Hind movement are kept separately in dark cells in a civil jail in Germany ? If so, how many ?

(*c*) Is it a fact that food arrangements for these people are unsatisfactory, and that many of these prisoners are reported to have committed suicide as a result of cruel treatment meted out to them ?

(*d*) Have Government made enquiries into the matter ? What steps have so far been taken or are proposed to be taken in this connection ?

THE HON. MR. A. E. PORTER: (*a*) Nine Indian civilian collaborators are in detention in Europe.

(*b*) and (*c*). No.

(*d*) Government have made enquiries and are informed that persons now in detention are being held for security reasons at a civil internment camp in the British zone in Germany. The camp is not a prison but a large enclosed area where the inmates live together with complete freedom of association and with ample opportunity for exercise. They are not kept in cells and they receive rations on exactly the same scale as other detenus in the camp who are mostly Germans. There have been no complaints of ill-treatment.

THE HON. MR. M. THIRUMALA ROW: Is there any prospect of their being repatriated to India ?

THE HON. MR. A. E. PORTER: I should have to ask for notice of that, Sir.

W. A. C. (I.)

190. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Has the attention of Government been drawn to a letter, purporting to have been signed by about one hundred W. A. C. (I) members, which appeared in the "Hindustan Times" dated the 17th February, 1946 (Delhi edition), detailing the "unbelievable scandals", including racial discrimination and immorality in their organisation ?

(*b*) Have Government noticed the following points in the complaints of the Indian girls:—

(*i*) "Our principal charge concerns the absolute irreparable mess this war-time organisation has been made of the lives, homes, character, discipline, and morals of so many of us in the W.A.C. (I) through no fault of our own."

(*ii*) "In the service itself we were ill-cared for, fitted for nothing except drinking dancing, necking, and fraternizing with the officers and B.O.Rs."

(*iii*) "There have been cases without number, of rape, of forced motherhood, of abortion, of venereal disease, of suicide."

(*c*) In view of the grave nature of the allegations, will Government state what steps have been taken to have a thorough and impartial enquiry made into them ?

THE HON. MR. A. D. F. DUNDAS: (*a*) and (*b*). Yes, Sir, and I am glad to have the opportunity of contradicting this slur on a fine Corps. I shall be prepared to believe in its authenticity when I have seen the original letter and have checked the signatures.

It is alleged that the supervision was inadequate. All hostels were supervised by officers who were responsible for the well-being of the auxiliaries. There were rules for the admission of visitors. The girls were under orders to be in their barracks by 10 P.M. and lights out by 10-30 P.M., but two late passes were permitted a week to enable them to go to Cinemas or dances if they wished. The statement that members of the W. A. C. (I)s were forced to attend any form of entertainment or compelled to attend dances, etc. for the amusement of male officers or British Other Ranks can only be described as a malicious and incorrect statement. Where parents expressed a special wish, auxiliaries were permitted to leave the hostels only with persons approved by their parents.

There have also been allegations of racial discrimination. It is true that the majority of the officers are Europeans, with Anglo-Indians for the second largest number. The reasons for this are, I think, obvious. It is only comparatively recently that Indian women have begun to earn their living independently of their parents, and it is still an exception rather than a rule for an Indian girl to expect to do this. Among Europeans and Anglo-Indians on the other hand, it is an exception for a girl *not* to expect to earn for own living. Those who have in the past earned their own living are obviously more likely to become officers than those who have not.

THE HON. MR. M. THIRUMALA ROW : On a point of order, Sir. Is this a statement, or is it a categorical reply to the questions asked in this question ?

THE HON. THE PRESIDENT : The Hon. Member knows his business.

THE HON. MR. M. THIRUMALA ROW : I am asking for your ruling.

THE HON. THE PRESIDENT : I cannot dictate to him the manner in which he should give his reply.

THE HON. MR. A. D. F. DUNDAS : This preponderance of two communities among the officers was one of the principal reasons for deciding on the disbandment of the Corps, so that when it is formed again as I hope it will be, it will be possible for all communities to have an equal start.

The article stated that there had been cases out of number of rape, forced motherhood, abortion, venereal disease and suicide. The facts are that the total strength of the Corps was 9,567 on the 1st January 1946. Since it was formed in 1942, two alleged cases of rape have been reported to the W. A. C. (I) Headquarters. In both cases a Court Martial on the person charged found him not guilty. I am unable to distinguish between forced motherhood and rape. Since December 1944, 65 cases have been reported in which W. A. C. (I) personnel were about to have illegitimate children, a percentage of about 0·7. It is however, possible that there may have been a few other cases of which the Hon. the questioner may be aware, in which the person concerned obtained discharge on other grounds and did not reveal her condition. With regard to venereal disease, 25 cases have been treated in military hospitals since the Corps was formed in 1942. The strength of the General Service Section of the Corps is 3,400 and these women could not attend hospitals except on leave. There may have been cases which have not come to light among the 6,000 Local Service women who live at home and can go to private hospitals. There have been two cases of reported attempted-suicide in the history of the Corps. In neither case has the result been fatal.

It has also been stated in this article that personnel of the Corps were accommodated in the same hostel as British other ranks. Owing to shortage of accommodation, this did happen in one case only throughout India. The women were on one floor, the men on another. Special arrangements were made for supervision in this case, but the arrangement was never considered satisfactory, and was abandoned as soon as possible. The arrangement lasted one year.

(c) In view of the facts just explained, and of the decision to disband the Corps Government consider that it would be a waste of public time and money to hold a public enquiry.

THE HON. RAI BAHADUR SRI NARAIN MAHTHA : In view of the seriousness of the complaint, why have not Government thought it necessary so far to obtain the original letter, check the signatures and make an inquiry ?

THE HON. MR. A. D. F. DUNDAS : I have not stated that Government has not attempted to do so.

THE HON. MR. HOSSAIN IMAM : Have they succeeded in their attempt ?

THE HON. MR. A. D. F. DUNDAS : No, Sir.

THE HON. MR. HOSSAIN IMAM : When is this W. A. C. (I) going to be disbanded ?

THE HON. MR. A. D. F. DUNDAS : The decision to disband the W. A. C. (I) has been taken and the process has begun. It is intended to be completed within one year.

THE HON. MR. HOSSAIN IMAM : Who will be the first to be discharged—those who are in private houses, or those who are in Government hostels ? What will be the process of discharge ?

THE HON. MR. A. D. F. DUNDAS : I cannot go into the full details of the process of discharge and demobilization.

THE HON. MR. M. THIRUMALA ROW : May I know, with regard to the point of time, whether the B. O. Rs. will go out of India first, or whether the W. A. C. (I) will be disbanded first ? Which will be earlier ?

THE HON. MR. A. D. F. DUNDAS : There is no sort of race going on, Sir.

AMERICAN TROOPS IN INDIA

191. THE HON. RAJA YUVERAJ DUTTA SINGH : (*a*) Will Government state how many United States troops are still in India and how many have gone back ?

(*b*) Has any agreement been reached, whereby American troops in India would be required to quell internal turmoil, or possible insurrection in India ?

THE HON. MR. A. D. F. DUNDAS : (*a*) On the 1st of last month the number of United States troops still in India Command was 54,647, and the number who had already gone back to America was 95,487.

(*b*) No, Sir.

APPOINTMENT OF CONTROLLER OF IMPORTS

192. THE HON. MR. SURPUT SINGH : Will Government state :—

(*a*) The purposes of the appointment of the Controller of Imports in India ?

(*b*) Whether any such office had existed before the war ?

(*c*) Special qualifications, experience and aptitude the officer possesses for the discharge of the duties of the office.

THE HON. MR. Y. N. SUKTHANKAR : (*a*) I presume the Hon. Member refers to the appointment of the Chief Controller of Imports. I may invite attention to the Commerce Department Press Note of the 17th June 1941, which will explain the reasons for the creation of that appointment. A copy of the Press Note is available in the Library.

(*b*) No, Sir.

(*c*) Officers appointed to hold this post have been I.C.S. officers of standing and experience.

I may add that the present incumbent of the post has also considerable experience of the Customs Department having been a Collector of Customs for four years.

STANDING COMMITTEE FOR THE FOOD DEPARTMENT

THE HON. SIR JWALA PRASAD SRIVASTAVA (Food Member): Sir, I beg to move :—

"That this Council do proceed to elect, in such manner as the Hon. the President may direct, five non-official members to serve on the Standing Committee to advise on subjects in the Department of Food during the financial year 1946-47."

The Motion was adopted.

STANDING COMMITTEE FOR THE HOME DEPARTMENT

THE HON. MR. A. E. PORTER (Home Secretary): Sir, I beg to move :—

"That this Council doproceed to elect, in such manner as the Hon. the President may direct, four non-official members to serve on the Standing Committee to advise on the subjects in the Home Department for the financial year 1946-47."

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan): May I enquire how many times this Committee met in the year 1945-46 ?

THE HON. MR. A. E. PORTER: The Hon. Member was a member himself, and probably he would be able to tell us : I was not here at that time. He will correct me if I am wrong ; but my impression is that it did not meet at all.

The Motion was adopted.

STANDING COMMITTEE FOR THE LABOUR DEPARTMENT

THE HON. MR. H. C. PRIOR (Labour Secretary): Sir, I move :—

"That this Council do proceed to elect, in such manner as the Hono. the President may direct, five non-official members to serve on the Standing Advisory Committee to advise on subjects with which the Labour Department is concerned, for the financial year 1946-47."

The Motion was adopted.

STANDING COMMITTEE FOR THE LEGISLATIVE DEPARTMENT

THE HON. MR. SHAVAX A. LAL (Nominated Official): Sir, I move :—

"That this Council do proceed to elect, in such manner as the Hon. the President may direct, three non-official members to serve on the Standing Committee to advise on subjects in the Legislative Department, for the financial year 1946-47."

The Motion was adopted.

STANDING COMMITTEE FOR THE ALL-INDIA COUNCIL FOR TECHNICAL EDUCATION

THE HON. SIR JOGENDRA SINGH (Education, Health and Agriculture Member): Sir, I move :—

"That the members of this Council do proceed to elect in such manner as may be approved by the Hon. the Presidnet, two persons from among their own members to be members of the All-India Council for Technical Education constituted by the Government of India."

The Motion was adopted.

STANDING COMMITTEE FOR THE EDUCATION DEPARTMENT

THE HON. SIR JOGENDRA SINGH (Education, Health and Agriculture Member): Sir, I move :—

"That this Council do proceed to elect, in such manner as the Hon. the President may direct, five non-official members to serve on a Standing Committee to advise on subjects dealt with in the Department of Education, during the financial year 1946-47."

The Motion was adopted.

STANDING COMMITTEE FOR THE ADVISORY BOARD OF ARCHÆOLOGY IN INDIA.

THE HON. SIR JOGENDRA SINGH (Education, Health and Agriculture Member) : Sir, I move :—

"That the members of this Council do proceed to elect, in such manner as the Hon. the President may direct, one more person from among their number to be a member of the Advisory Board of Archæology in India constituted by the Government of India."

The Motion was adopted.

STANDING COMMITTEE FOR THE CENTRAL ADVISORY BOARD OF EDUCATION IN INDIA

THE HON. SIR JOGENDRA SINGH (Education, Health and Agriculture Member) : Sir, I move :—

"That the members of this Council do proceed to elect, in such manner as may be approved by the Hon. the President, one person from among their own numbers to be a member of the Central Advisory Board of Education in India with effect from the date of election."

THE HON. SIR RAMUNNI MENON (Nominated Non-offical) : May I say a word, Sir ? The present position is this. The Legislature is represented on the Central Advisory Board of Education by two Members from the Assembly and one from the Council of State. I think that is a proportion which may be accepted as fair. In any case, we have reconciled ourselves to it. When the numbers of representatives are going to be increased, I suggest that that proportion should be adhered to. I think it is rather unwelcome to this Council that the proportion should be so twisted as to place representation from this house at disadvantage. If the Assembly are going to have 4, I quite admit that we should have 2. If they are going to have 6, we should have 3 and so on. But why they should pitch upon an inconvenient number as 5 for the Assembly and ask us to be represented by only 2, I am unable to understand. In any case, I hope that when the Council of State reconstituted and when a fresh election to the Central Advisory Board takes place, the Hon. Member in charge of Education will see to it that this Council is given a representation of 3 if the representation from the Assembly is going to be 5.

THE HON. SAIYED MOHAMED PADSHAH SAHIB BAHADUR (Madras : Muhammadan) : My suggestion is that the suggestion made by my Hon. friend may come into force even from today.

THE HON. MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan) : If the Hon. Member consents to increase the number now, it might be done. Otherwise, you will have to ask that the motion be postponed for the present so that he can consult his Department and then move this motion again.

THE HON. SIR RAMUNNI MENON : I suggest that for the present there should be 2 members. If I may make a personal explanation, the present election is not going to be of much practical importance. This Council will be dissolved, presumably by the end of this year and there is not likely to be much work of the Central Advisory Board between now and the dissolution. So, I shall be quite satisfied if the Hon. Member will increase the number of representatives from this Council to 3 next time when the Council will be called upon to elect.

THE HON. SIR JOGENDRA SINGH : I agree to that, Sir.

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : What will be the number of representatives of the Assembly on the Central Advisory Board of Education this year ?

THE HON. SIR JOGENDRA SINGH : Five.

THE HON. PANDIT HIRDAY NATH KUNZRU : Ours will be only one ?

THE HON. SIR RAMUNNI MENON : There is only one now. You are going to have another one. That will make it two.

THE HON. PANDIT HIRDAY NATH KUNZRU : Are we to elect one member in addition to the representative of the Council already on the Central Advisory Board of Education ?

THE HON. SIR JOGENDRA SINGH : Yes ; you elect two

The Motion was adopted.

STANDING COMMITTEE FOR THE INDIAN CENTRAL TOBACCO COMMITTEE

THE HON. SIR JOGENDRA SINGH (Education, Health and Agriculture Member) Sir, I move :—

"That this Council do proceed to elect, in such manner as the Hon. the President may direct, one person to represent the consumers on the Indian Central Tobacco Committee."

THE HON. MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan) : What is the number of Assembly Members ?

THE HON. SIR JOGENDRA SINGH : I could not tell you.

THE HON. MR. M. THIRUMALA ROW (Madras : Non-Muhammadan) This is an important interest and I think this body deserves 2 members at least from this House. It is a very big body consisting of 50 or 60 members from all sections and to give 2 members from this Upper House is not too much. You get Rs. 20 to Rs. 25 crores of income out of tobacco.

THE HON. SIR JOGENDRA SINGH :Will you be able to find two consumers' representatives ? I think you had better leave it at that, at present, and then you can raise the point again.

The Motion was adopted.

STANDING COMMITTEE FOR THE AGRICULTURE DEPARTMENT

THE HON. SIR JOGENDRA SINGH (Education, Health and Agriculture Member) : Sir, I move :—

"That this Council do proceed to elect, in such manner as the Hon the President may direct five non-official members to serve on the Standing Committee to advise on subject dealt with in the Department of Agriculture for the financial year 1946-47."

The Motion was adopted.

STANDING COMMITTEE FOR THE PLANNING AND DEVELOPMENT DEPARTMENT

LT.-GENERAL SIR THOMAS HUTTON THE HON. (Planning and Development Secretary) : Sir, I move :—

"That this Council do proceed to elect, in such manner as may be approved by the Hon. the President, five non-official members to serve on the Standing Committee for the Planning and Development Department for the year commencing 1st April, 1946."

The Motion was adopted.

THE HON. THE PRESIDENT : With reference to the Motions which have 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 Tuesday, the 26th March, 1946 and the date of election, if necessary, will be announced later.

THE HON. SIR JWALA PRASAD SRIVASTAVA (Food Member): Sir, I rise to move :—

"That the food situation in India be taken into consideration."

Sir, perhaps the House will allow me to take them back to 1943 when I first addressed this August House. I then, Sir, gave an undertaking that so far as it lay in me I would not let one man starve in the country. Those were dark days. Those were the days of the Bengal famine. That was the time when starvation, pestilence and distress were prevailing in the unfortunate Province of Bengal ; and it fell to me at that time to bring relief to those who were afflicted. If I state today some of the positive achievements of the Department during the last two or three years which have elapsed since then, it is not because I want a bouquet for myself—I am too used to brickbats—but because I want the House and the country at large to understand what a useful Department both at the Centre and in the Provinces and States has been built up during these three years—

THE HON. MR. HOSSAIN IMAM : Self-praise is no praise.

THE HON. SIR JWALA PRASAD SRIVASTAVA : I am not praising myself as I said, but I think I owe it to the band—

THE HON. THE PRESIDENT : Please take no notice of such interruptions.

THE HON. SIR JWALA PRASAD SRIVASTAVA : I think the House owes it and we owe it to the band of selfless public servants who have made a success of the Department. They have worked hard and deserve well of us. I do not think, Sir, that it would do at a time like this to discourage the machinery on which rests the responsibility for saving India from starvation.

Sir, the background of the Indian food situation must be examined in the light of the years immediately preceding the war. The House knows, more than I do perhaps, that taking into account the total estimated output of cereals and after making allowances for seeds, wastage and net imports, the total resources available to the country were such as to give a *per capita* supply of only 308 lbs. per annum of cereals, that is to say, under 11 ounces per day per head. The second important point that we must remember is that the marketed output only constitutes, or constituted in the old days, 30 to 40 per cent. of the total production of foodgrains—

THE HON. RAI BAHADUR SRI NARAIN MAHTHA : You are referring to 1937 ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : I am talking of the pre-war period—the rest being consumed by the producers, most of whom were really small farmers with very small marketable surplus.

Now, Sir, during the war years, the situation worsened when Japan declared war The main factor, however, was the loss of Burma. As the House knows, India used to receive very substantial imports of rice from Burma. Requirements, on the other hand, went on increasing, because our population increases by about 5 millions a year. Since 1943 the Food Department has an integrated policy, a policy which was the result of the recommendations of the Gregory Committee. This policy has been consistently pursued by the Department and the Provinces. The policy broadly consists of the controlled movement of foodgrains from surplus to deficit regions, procurement, rationing and price control. If these matters are viewed in the light of the vast size of the country and of the basic facts of our agricultural economy, any fair-minded person must admit that a great deal has been achieved by the Administration to tide the country over the difficult years of the war. Sir, speaking to an All-India Food Conference which was convened in October 1943, I said :

"The situation in which we find ourselves today demands the united and unselfish efforts of all concerned. If there is one thing the tragic events of the past few months have shown, it is the fact of the economic unity of India and the interdependence of the several Provinces and States on each other and on their combined resources. Whatever may have been the case in normal times, what goes on in each Province or State in the matter of production, distribution and utilisation of food supply can no longer be regarded as the undivided concern of that Province or State. It is, on the contrary the concern of everyone in India."

Now, Sir, that is really the foundation of our entire policy. I admit that constitutionally perhaps the Government of India have not the necessary power or the machinery to direct all the Provinces and States to act in a certain way. But, Sir, by discussion, by exchange of ideas, and sometimes a little pressure, we have on the whole succeeded in evolving a concerted scheme of work. It was for the first time then that the Government of India undertook to exercise this responsibility, and I made no secret of it in the same speech of mine. I said—

"In the mobilization of India's resources the Government of India will have to take and implement decisions which may at times conflict with what appear to be local or sectional interests. Whenever possible, and to the greatest extent possible, the Government of India will proceed after consultation with you"— meaning the representatives of the Provinces—"and with your consent ; but if circumstances should compel us to proceed otherwise, I look to you to accept and implement those decisions which we and we alone can take on behalf of all."

I do not know, Sir, whether it is generally realised to what extent we have succeeded in implementing that policy. In the case of rationing alone, Sir, the schemes operating in the country are responsible for the feeding of well over 50 million people, that is of a population exceeding that of the United Kingdom. Whatever may be said, this substantial section of the population is receiving equitable distribution of foodstuffs ; and we are doing our utmost to extend rationing even further. It is sometimes asked why we have not rationed the entire population. It is very easy to say, Sir, but it was very difficult to find especially during the war emergency the vast personnel that would have been required, when there were so many demands on the available manpower.

Take, again, Sir, the question of procurement. It is a matter of obtaining grain from millions of small producers throughout the country living in conditions providing the widest variations. Here too I am glad that the food administration has no mean achievement to its credit. In the south, for example, in Mysore, Madras, the Deccan States and in Bombay, we have been operating a system of compulsory levying, ensuring maximum procurement. In other parts of the country as well Administrations are attempting to improve their procurement machinery and I wish to assure the House that we have told the Provinces that some sort of compulsory procurement should be introduced with the least possible delay. The U. P. will soon have a levy scheme in operation, and, as I have said the Punjab, Bihar and Sind are all examining ways and means, and I hope that in the very near future we shall see a rational system of procurement in all these Provinces. Our aim is to get the maximum of the country's produce, leave to the producer enough for his own needs and deny all opportunity to intermediaries to hoard or to hold up our schemes. (Hear, hear.)

THE HON. MR. V. V. KALIKAR : What did the Hon. Member say " enough for his meals " ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : Enough for his needs.

Sir, before I come to the immediate situation I would like to bring to the notice of the House the recent statement which my colleague, Sir Jogendra Singh, and I made to the Press with regard to the future and present food policy of the Government of India. I need make no apology for referring to it because it has a very important bearing on our present policy. I say, Sir, that that statement is an event of the highest importance for the future prosperity of this country. It was suggested by some that there was nothing new in the Government's statement. Anyway, the criticism is plausible. After all, agriculture is the oldest human occupation and everybody, especially in India, has a vague idea of what should be done to improve matters. The Government's statement therefore might strike a casual observer as a mere string of platitudes interspersed with banal commonplaces. To begin with, the commonplace or the platitudinous is not necessarily false. More often than not it is correct. In fact most of the important things in life are commonplaces and most fundamental truths are obvious. The real significance of the Government of India's statement is that it is the first integrated statement of policy, I suppose, on the subject which it covers. Strange as it may appear, this is the first time in history that any Indian Government has undertaken the duty of co-ordinating and

[Sir Jwala Prasad Srivastava]

supervising agricultural activities in the whole of India, including the Indian States. This has not been done out of any quixotic or romantic impulse but because of the hard realities of the Indian situation. Those realities are that Indian rural economy no longer suffices for the food needs of our population ; that India is no longer an Arcadia flowing with milk and honey but a deficit area which ought to be improved and that an agriculture at the mercy of the vagaries of nature can no longer cope with the food demands of a rapidly increasing population. To meet the present situation it would not be enough merely to repeat the copy-book tag that where one ear of corn grows we should have two. The Government's statement on agriculture and food policy is an attempt to give practical shape to the universally felt desire to raise the country's productive capacity and give the people of the land a more reasonable standard of living. It is no use merely raking up the past and saying that such a thing should have been done long ago. The important fact is that at last it has been done and that as a result of the recommendations of the Famine Enquiry Commission—a Commission which received the support of this House, I gratefully acknowledge—special machinery has been set up by the Government of India to deal with this all important matter and that an agreed policy has emerged committing the tovernment to definite action in respect of all the many varied aspects of that problem Viewed in this light, the statement, I claim, Sir, marks a milestone in Indian administration and contains the germs of the policy that must be assiduously followed by any future Indian Administration regardless of its complexion and affiliations. This is claimed because in almost all respects the policy recently enunciated by the Government of India is far in advance of the pre-war conditions in India, and in some important respects it is in line with the most advanced current thought. Special mention should be made of the fact that now, for the first time, the Government of India accepts responsibility for providing adequate food and balanced food for all. Now, Sir, that is not a small undertaking. It has never been done before. Food in the past has mostly been a provincial subject, and I am not aware of any Provincial Government having undertaken that responsibility in the past. For the first time, then, the State assumes the duty of seeing that the humblest citizen gets not only adequate food but also balanced food, food which will keep him in health. For the first time also, Sir, the State accepts responsibility towards vulnerable classes like nursing mothers, school children and heavy manual workers. There will be increased facilities for special beneficial foods for mothers and small children. School feeding will be extended—it has been extended to some extent—and industries employing more than 250 workers will actually be required by law to maintain canteens for their workers.

THE HON. MR. HOSSAIN IMAM : Free canteens, I hope.

THE HON. SIR SHANTIDAS ASKURAN : Canteens selling foodstuffs at reasonable rates.

THE HON. SIR JWALA PRASAD SRIVASTAVA : Yes. For the first time the State accepts the principle that the food of the poor should, if necessary, be subsidised by the State, and the question is actively under consideration by a special committee which I have set up.

Increased food production, though a prime need of the country, would not suffice by itself unless the interests of the producers were secured. My Hon. friend is looking at me.

THE HON. MR. HOSSAIN IMAM : By you ? God help them !

THE HON. SIR JWALA PRASAD SRIVASTAVA: Economists, therefore, attach special importance to that part of the statement in which, for the first time, the Government of India accepts the responsibility of regulating agricultural prices in such a way that they are remunerative to the producers and fair to the consumers. We have got to strike a mean which also secures that the benefits of increased production reach the primary producer and the agricultural labourer and do not remain with middlemen and intermediaries, whether money-lenders, landlords, tenants or traders.

This important decision means that even when war-time conditions disappear and trade channels resume their normal functions, some measure of regulation will continue, with a view to establishing a permanent system which will assure a market for the producer and equitable distribution of food to the consumer.

THE HON. SIR SHANTIDAS ASKURAN : What about the poor people who cannot afford to buy ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : I have said that for the first time we have accepted the principle of subsidising of food for the poor at prices fair to both the producer and the consumer. Without exaggeration it can be claimed that the achievement of this end would be a great contribution to the solution of the problem of Indian poverty.

It is not possible here to review all the various items in that comprehensive statement. Briefly, I would like to say that for the first time the Government of India is committed to the application of science to agriculture and to a programme of work to increase production on definite lines. I am saying that the Government of India has taken the responsibility. So far it has been a provincial responsibility. For example, while everybody knows that wastage of foodgrains through infestation and other causes runs to crores of rupees every year, for the first time the Government have tackled the question by building modern storage depots and godowns and by having a programme for further construction. Again, it is only now that steps are being taken to encourage food processing industries so that perishable and seasonal foodstuffs can be conserved. I have set up special machinery in the Department to deal with this matter. But, Sir, given a policy, steps have to be taken to translate these things into reality. For that purpose we have set up a special section in the Department whose sole task it is to implement all the ingredients of the newly enunciated policy and also to bring the Provinces and the Indian States into line with it.

Sir, I have taken the time of the House to deal with our long-range policy as I think it has a very important bearing on our present position. Now, coming to the immediate situation, it is hardly necessary for me to repeat the narrative as to the manner in which the year 1946 opened. It opened very threateningly, I am sorry to say, so far as the internal food resources of the country were concerned. The accumulated effect of natural calamities like cyclones and droughts on standing crops in the rice and millet producing areas of the South and the wheat producing areas of the North has now been before the public for nearly two months. There is now widespread recognition of the seriousness and the urgency of the position, of the need to raise the food of the people above politics and—a most heartening factor—of the wisdom of united effort to achieve the common end. There are some who think that we should have kept the situation back from the public to avoid panic. My answer is that we believe in the widest publicity—we have nothing to hide—and we have confidence in our ability to face any possible consequences of that publicity. I may mention here that these consequences have been very small indeed. If prices have shown some instability in some parts, they are now being controlled and the general level, taking the country as a whole, is being maintained, which I think is a great tribute to the food administration of the country. For instance, Sir, Madras, the worst affected area, has maintained a firm level of prices. I acknowledge the work done by the Madras Government.

Critics have made some capital out of a statement which I made in November last in Calcutta that there would be no famine this year. I said that deliberately after touring the districts of Bengal. At that time there was a panic in Bengal and everybody including all the newspapers was saying that Bengal was going to have a recurrence of the 1943 famine. It cannot be said that I indulged in a misstatement at that time, as things stood at that time. There was no indication then that the crops then standing would fail in the manner in which they did and I think I can legitimately claim that no human agency could have foreseen this disaster. There was no complaint made by any public or private body that there was likely to be a famine in the South or in the Bombay Presidency until I raised the alarm last January. I suppose the House knows that the workings of Nature are inscrutable and unpredictable.

THE HON. MR. HOSSAIN IMAM : Will the Hon. Member say something about Bengal ? What is the condition now as compared with his forecast in November last ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : In November last, apart from the cyclone damage in the Godavari and Kistna region, there was no ground for fear. Madras, Bombay and Mysore have since been stricken with a calamitous drought. Without any delay, as soon as I heard of it, I sent the Director General of Food on a round tour of Madras. He visited all that area, came back and reported to me. That was somewhere about the middle of December. Even then the extent of the damage was not known, because they were still hoping that there might be rain in which case a lot of the crops would have been saved. Then, Sir, I kept on gazing skywards here and I found that the winter rains had failed even in the North and the rabi crop had withered. That upset a little my equilibrium which is not disturbed easily, but I was upset and I then thought that we should do all we can—not that we had not already done it—to get as much imports in as possible. That was the only line that I thought would assist us. We had already put in our claim for a million tons of rice and 500,000 tons of wheat for 1946. That claim was being considered by the Combined Food Board at Washington. I thought, " Well, now that our position is going to be worse than we had anticipated, I had better press my claim as hard as I can " and I immediately, within 24 hours, sent out the Secretary of the Department to Washington to fight out our case before the Combined Food Board and I myself did a rapid tour of Sind and the Punjab to see what the condition there was and whether I could get any grain from there. About the 22nd of January I called a Conference of Provincial and State representatives to discuss the whole situation. By that time the exact figures of damage to crops were not known even to the Provinces, because it was a progressive deterioration. It had not come in one day. People blame me as to why I did not foresee it in November. People did not know up to the 20th January what the extent of the loss was going to be. For the first time then I was given figures which really alarmed me. What did I do then ? Quite apart from taking up a number of measures to tighten up our own belt and to make the best use of our own resources, I conceived the idea of a Delegation to London and Washington immediately and I thought that a Delegation consisting of, say, the Advisers of Madras and Bombay and the Dewan of Mysore as representing the principally deficit areas and nine non-official representatives of the principal Parties in the country would be able to place our case with great emphasis both in London and at Washington. I made an offer to get these non-official representatives from the two main Parties in the first instance. I made the offer on the floor of the Assembly, but so far as the Congress were concerned, they rejected that offer. The Muslim League—I gratefully acknowledge this—accepted my offer and they nominated two representatives. I had to nominate three other people who I thought would best represent the country on a Delegation like this. I shall come a little later to what the Delegation has been able to do. But I wish here to acknowledge the valuable cooperation and support which both the Congress and the Muslim League have extended to the Food Administration. They have placed food above politics, and that is as it should be. In this connection I am grateful to His Excellency the Viceroy who has carried on the negotiations with the Leaders and who has taken the keenest interest in the food problem of the country.

I would like, now, Sir, to refer to the Resolution passed by the Congress Working Committee setting out a 15-point programme to meet the present food crisis. I welcome the statement made by the Congress Working Committee that " the policy of the Government and the people should be one at this time of crisis, " and I shall show now how most of what has been proposed has already been implemented by us. The points which they have laid down have been pursued by us already and we have achieved good results.

The first point of the Congress Working Committee's resolution advises people not to lose heart but to act in cooperation. We have always attached the greatest importance to the maintenance of public confidence in a situation of this character—in fact in all matters pertaining to food administration ; and I am very glad that the lead so clearly given by the Congress Working Committee will greatly strengthen

our position. Sir, I would refer to the speech which I made in this House on the 13th of August 1943 when I called myself a " two-day old baby in the Food Department. " In that speech I said :

"In this task without the help of my colleagues here, without the fullest co-operation of the public and their leaders, without the wholehearted support and assistance of the Provinces and their Governments, without the help of the States, without the goodwill and patriotic sense of individuals, nothing can be accomplished and in the name of our country, I appeal, nay I demand, Sir, that co-operation and help."

That is what I said then, Sir.

Point 2 advises that all waste and surplus land should be brought under the plough. Both the Food and the Agriculture Departments have been actively encouraging the growth of short-term crops and productive foods like vegetables. It is not possible as yet to estimate the short-term crop production that will result. But I may mention that both in Madras and in Bombay a subsidy of Rs. 15 per acre of short-term crop harvested has been announced and Madras estimates that over 600,000 acres will be put under short crops. We have asked Provinces to take over and continue the various excellent vegetable farms which were started during the war to meet the needs of the services.

Point 3 of the Congress programme advises the individual producer to make all his surplus available. I claim that our levy and monopoly procurement schemes are administrative measures aimed at the same end.

Point 4 recommends food crops in preference to money crops. And again I should like to state that we are doing everything possible to restrict the area under money crops. For example, the area under jute and cotton has been severely curtailed.

Point 5 advises the people to sink wells and dig tanks. I should like to draw the attention of the House to the many grants made in this behalf both by the Central and the various Provincial Governments. My colleague Sir Jogendra Singh will deal more elaborately with this point.

Point 6 advises the rich to live simply (*Laughter.*) I would like to give that advice to my friends.——

THE HON. SIR SHANTIDAS ASKURAN : As you entertained your guest at the time of marriage so poorly ! You want us to live like that !

THE HON. SIR JWALA PRASAD SRIVASTAVA : I am referring to the Congress point which advises the rich to live simply. I entirely agree with that. I hope my colleagues will start living as simply as I do. The House knows that we have instituted various austerity drives like the curtailment of entertainment, turning of gardens over to vegetables and foods and cutting down of supplies to catering establishments and so forth.

Point 7 refers to the securing of supplies from abroad. On this I shall have something to say later on.

Point 8 advises economy of food on ceremonial occasions. Our general policy is to discourage any extra allocations in respect of such ceremonies.

Point 9 refers to the processing of fruits, a matter which the Food and the Agriculture Departments have now been dealing with for some time. In fact a flourishing fruit canning industry has grown up during the war.

Point 10 says that the State should put all its resources of skill, manpower and mechanical appliances, civil and military, to the task of preserving and transporting food. We have been fully alive to this and all the resources of the Army will be available to us if and when required. I have the authority of His Excellency the Commander-in-Chief for saying that. Point 10 also speaks about the prohibiting of export of cereals and foodstuffs, and to this I shall refer later in my speech.

Point 11 refers to the sinking of wells by demobilised service personnel. I may inform the House that the War Department has given us the fullest co-operation and, even to the detriment of normal military training duties, His Excellency the

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Commander-in-Chief has ordered all units to grow as much food as possible. Practical schemes for the sinking of wells in the United Provinces and the Punjab with the assistance of troops are under consideration.

In point 12, the Congress Working Committee asks the nation to co-operate in schemes of rationing and procurement and in measures for checking hoarding, black-marketing and corruption. I heartily welcome this for I strongly feel that the administrative measures that are being, and may have to be, taken to secure an equitable distribution of our available food supplies to every man, woman and child, are fully deserving of the honest and loyal co-operation of the people as a whole. As regards corruption, I am as anxious as members opposite to suppress it with an iron hand. But corruption cannot exist without the acquiescence of the people, nor can it be eradicated unless it is brought to notice.

Now point 13 says that measures for meeting the serious situation cannot be fully successful and effective unless power rests with the people. I have every sympathy with this view and I say, even today so far as I am concerned, the power rests with the people and with you, gentlemen. I am prepared to do anything that you may want me to do.

THE HON. MR. HOSSAIN IMAM : In May.

THE HON. SIR JWALA PRASAD SRIVASTAVA : If there is not a so-called popular Government today on these benches it is no fault of those who have tried to bear the burden in the heat of the day and in very difficult circumstances.

THE HON. SIR DAVID DEVADOSS : What about the deep-sea fishing by the Navy ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : That is being taken up. (*Laughter.*)

I have, Sir, dealt seriatim with the Congress programme because I wish to show to the House that the Government has been trying to do everything practical to meet the present situation and that it is willing gratefully to accept advice whenever it is offered.

I should like now, Sir, to refer briefly to the famine relief measures which the Army has adopted. The Army has in order to conserve the food supplies done the following things amongst others. The ration of troops has been reduced. The ration of Government animals has been reduced. All units have been instructed to grow such food as is possible, particularly vegetables, potatoes, maize, wheat, etc., and, in suitable areas, rice. Troops may be employed on this work even if necessary to the detriment of normal training duties. Units are being encouraged to start poultry, eggs and rabbit production activities. Commanders have been instructed to visit food stores, depots and installations more frequently to satisfy themselves that loss of foodstuffs through deterioration, damage by insects, etc., does not occur. Officers commanding units have been instructed to devote special attention to the messing system so that meals may be made more attractive and palatable, thus reducing waste. Hints on avoidance of food waste have also been issued to units. Military officers living in bungalows are being encouraged to grow in their private gardens and compounds vegetables, potatoes, etc., and for servants maize and other useful crops. His Excellency the Commander-in-Chief has expressed a personal wish that menus in hostels, messes and private houses should be reduced to a maximum of two courses, apart from soup, and that none but the most sparing quantity of rice and wheat products should be served, and that on social occasions, such as tea and cocktail parties, the consumption of pastries, cakes and biscuits should be drastically reduced and even prohibited sometimes. Those who are able to obtain alternatives have been advised to avoid drawing on the over-all resources of wheat products and of rice which are the basic foodstuffs of the bulk of the population. It is proposed to carry out a publicity campaign by means of broadcasts, articles in Army newspapers and posters for display in unit cook-houses and dining halls to observe real and rigid economy in consumption of foodstuffs and to avoid waste.

Now, Sir, I hope the House will realise what amount of co-operation we have received from the Army in meeting the crisis.

Well, Sir, I should like now to turn to the question of imports—I call it the vexed question of imports—which as the House knows is of the greatest importance to us all. It has been, and might again be, asked as to why we did not obtain sufficient imports in the past years and build up substantial reserves for contingencies like the present. Sir, the answer must be found in the insuperable obstacles introduced by a global war, involving jeopardy to shipping from the western hemisphere and the complete stoppage of supplies from the rice-growing granaries of Burma and Siam. Sir, the figures of imports during the last three years were given by me in answer to a recent question in this House and the quantum in each year was naturally enough a reflection of the varying fortunes of the war. If these imports were not in greater quantities I can assure this House that this was not due to any lack of importunity on our part. In this matter at least I shall be perfectly satisfied to abide by the verdict of my successor when he comes. He will be able to see from the confidential files the efforts that we made to secure the largest quantity of imports and the difficulties which prevented our getting those quantities. As I have already said, Sir, as soon as indications of the impending disaster were clear I sent my Secretay, Sir Robert Hutchings, to London and Washington to press India's claim for import of foodgrains on the highest priority. Sir, the Delegation which left later has done good work. It went first to London. Unfortunately through illness I was prevented from going with the Delegation and I am grateful to Sir Ramaswami Mudaliar for having stepped into the breach. Both he and all the members of the Delegation have done exceedingly well and I pay them a well-deserved tribute. I am grateful to the Leader of the All-India Muslim League for falling in with my appeal and nominating two gentlemen to join the Delegation. The present position with regard to the efforts of the Delegation is that they pressed our claim for large imports during 1946 before the London Food Council, and they were able to get the London Food Council and His Majesty's Government to accept that claim as reasonable. They were also successful in persuading the Food Minister, Sir Ben Smith, to accompany them to Washington and support their case before the Combined Food Board in Washington. It is too early yet to assess the net results of their efforts. I am in daily communication with them. Wrangling is still going on; arguments are still being advanced by various starving nations. But I hope that the Delegation will come back with a substantial quantity of foodgrains, which India would not have got if this Delegation had not gone.

THE HON. SIR SHANTIDAS ASKURAN: What about the deadlock which has been reported in today's papers? Does that not affect the situation?

THE HON. SIR JWALA PRASAD SRIVASTAVA: That is only about Argentine. It is not a general deadlock. I hope that the imports that the Delegation are able to secure will be of material benefit to us in fighting this emergency.

I should now like to deal with the question of export of foodstuffs about which there has been a good deal of talk. I must categorically and emphatically deny that we are permitting foodgrains to go out of the country. I have repeatedly said that, but there are still some people who go on doubting our statements. For example, recently my attention was drawn to charges that shiploads of grain have gone from Karachi and Calcutta to destinations abroad. These have been fully investigated, and I will tell the House what they were. The shipload from Karachi was intended for Bombay and was unloaded at Bombay.

THE HON. SIR SHANTIDAS ASKURAN: The customs figures show that.

THE HON. SIR JWALA PRASAD SRIVASTAVA: And yet, when I was in Bombay last time, several people came to me and said, "Such and such a ship has taken so much rice out of India," and they would not believe me when I told them what the correct state of affairs was. The shiploads from Calcutta were intended for and went to Ceylon on loan. The full quantity involved has since been replaced by His Majesty's Government. At that time there was more rice in Bengal than they could store, and there was some rice required by Ceylon. Bengal themselves wanted to send some of the rice, on the condition that in three month's time it should be replaced by His Majesty's Government, which was done.

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I may inform the House that, in addition to prohibiting the export of foodgrains we have also prohibited the export of pulses, sugar, gur, fodder, bran, potatoes, coconuts, mustard, rapeseed and oil, except for very small quantities required for special purposes, like the provisioning of ships sailing from Indian ports.

THE HON. MR. HOSSAIN IMAM : What about groundnuts?

THE HON. SIR JWALA PRASAD SRIVASTAVA : We have stopped its export. As regards groundnuts, in which my Hon. friend seems to be interested—

THE HON. MR. HOSSAIN IMAM : I am.

THE HON. SIR JWALA PRASAD SRIVASTAVA : As regards groundnuts and groundnut oil, the exports have been suspended, and the whole position is under review, and every effort is being made to prevent the export of any quantities that may be required for consumption in India.

THE HON. MR. M. THIRUMALA ROW : Are they only suspended ?

THE HON. SIR JWALA PRASAD SRIVSATAVA : People have entered into contracts. But we have stopped it now. Some people are under legal contract.

THE HON. SIR SHANTIDAS ASKURAN : Most of the contracts have been fulfilled.

THE HON. SIR JWALA PRASAD SRIVASTAVA : In the matter of exports, I claim we have gone as far as to prohibit even small food parcels, and in this we have received the fullest co-operation from the Services.

Sir, I will not take up any more of the time of the House. I feel I have said enough to indicate that the Food Department is not oblivious of its duties at the present moment, and that in fact it is trying to give practical shape to every possible suggestion. The House must remember the magnitude of the problem and the difficulties of administration. It is true that the Central Government has accepted responsibility for the food of the people, but it has to implement its policy through the agency of the Provincial administrations. These have, as I have already stated, given us so far the fullest measure of co-operation. But the House should not forget that there are limits beyond which no Central Government of the present or the future can go. We have asked for popular support, and I recently tried to obtain the help of an all-party standing committee in our day to day administration. I invited the parties to join the food delegation. I have been eager for such help, because I strongly believe, as I have said before, that we need the support of everybody in fighting the demon of starvation. Sir, I hope that this House will discuss this problem in a sober and constructive spirit.

THE HON. THE PRESIDENT : Hon. Members, I propose to adjourn the House at this stage. But before I adjourn the House, I want to announce that an additional day has been allotted for discussion on this Motion, which is no doubt a most important subject. We have got also the annual meeting of the Empire Parliamentary Association this evening, and many of our members here have to attend that meeting, which is being held at about 5 P.M. Therefore, after we reassemble after Lunch, we shall proceed with the debate, and I shall stop the debate for the day at 4-30 P.M. But tomorrow I propose to devote the whole day and all Hon. Members will have opportunities of representing their views before the House. At the same time I must say that I have received information from many Hon. Members here that they all want to speak. So I shall have to confine the time limit to 20 minutes, but in special cases, where the discussion is very interesting, I shall allow Hon. Members further time.

The Council then adjourned for Lunch till a Quarter to Three of the Clock.

The Council re-assembled after Lunch at a Quarter to Three of the Clock, the Hon. the President in the Chair.

THE HON. THE PRESIDENT : Mr. Thirumala Row, you better move your amendment and speak now. Afterwards I will request Hon. Members who desire to address the House to rise and try to catch my eye.

THE HON. MR. M. THIRUMALA ROW (Madras : Non-Muhammadan) : Mr. President, I rise to move my amendment which runs thus :—

"That at the end of the motion the following be added, namely : —

"and after having considered the situation in all its aspects, this House is of the opinion that a National Government at the centre composed of popular representatives which can alone tackle successfully the serious food problem should immediately be set up"'.

Sir, I can assure you at the outset that I can command enough detachment not to mix up with this problem any unnecessary politics. Sir, Food is such an important thing that we were very much instructed and amused to hear the Hon. Member for Food today deliver to us a lecture which is more a piece of autobiography with a little of modesty and self-praise—not a little of modesty and self-praise. But still the floor of the Government of India is paved with good intentions and he has trotted out a series of good intentions which he conceived in his mind as the head of the Department and he intends to hand over the intentions to the Government that may have to come in the near future. I do not know how far this Government can be credited with any such credit as the Hon. Member claims.

Before entering into the merits of the question, Sir, I want to say one thing, that for all life food is an essential thing. Stomach is the basis of life and food is the origin of all life. I want to quote one Sanskrit verse from our ancient seers, from the Upanishads. We have always said that life is food and food is life, that life has sprung from food and food has sprung up from the five elements. To quote from Taittireeyer Upanishad, Brahmavalli, second chapter. 'Anna dwiprajah prajayante—yah Kasoha Pridhivigm Sritah. Adho Annenaiva Jeevanti—Adhaina dapiantyan—tantaha—Annadhbhutain jayante—gatanyannena vardhante.

Out of elements food is created and by food life is sustained. Therefore, Sir, there is such an inseparable cycle of connection between food and life that it is no wonder that it should form the basic problem for any Government and every Government which is worth its salt. Nations have marched on their stomachs ; wars have been waged on stomachs and if there is no food there is no politics, there is no life, and there is no administration. It is in that spirit that I conceived my amendment today and I want to assure the House that if you want a real food administration in this country, the people and the Government must be one. That proposition has been considered by my Hon. friend the Member for Food. But the essential thing he is lacking in is that there is a lacuna that himself and the people are not one. I want to supply that lacuna by my amendment by creating a situation or an atmosphere in this country whereby the Government and the people will be one. Sir, as I have told you, after 150 years of British rule, my friend has come to take credit that the Government of India has taken Food as their sole concern. They have woken up very late in the day. Even as recently as August 1943 when there was no separate Food Department the then Viceroy of India thought that he could manage the Food Department by himself and how woefully he has mismanaged and starved this country history has recorded in the blackest chapter. Now, Sir, I shall deal with the present situation. On request I have been supplied with a copy of the report of the Famine Enquiry Commission set up after the recent Bengal famine. When I asked for the report I got only the First Part. The second part I have now seen in the Library. I thought that the Food Department would be more responsible in seeing that the members of these Houses are educated as to their activities. In that report we see the conditions set out that have precipitated the famine in 1943—the attack of Japan on the eastern frontier, the failure of the crop, the cyclone and the tidal wave and inefficient procurement and supply and breakdown of the transport system of the province. These are set down as the reasons for the Bengal famine. With the exception of war conditions on the frontier or in any part of India, almost all the other conditions seem to have recurred in the year 1945 November and 1946. I charge the Food Department that they had not been sufficiently vigilant nor had they the foresight to profit by the tragic experience of 1943 and prepare far in advance of any such situation which Nature might have brought about in this country. As recently as 1945 November, prophet as he claims to be, the Hon. Member and his Department were trying to dispel any

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doubt in the minds of the nation that there is no fear of famine or any such thing. But, Sir, 1946 has seen a grave situation in the country. The northern districts of Madras which were supposed to be the granaries of the province, East Godavari, West Godavari, Kistna and Guntoor that lie in the Deltas of Godavari and Kistna rivers have suffered a terrific cyclone the like of which has not been seen in the recent past. Crops that were standing and about to be harvested have been smitten down and nearly 400,000 tons of paddy has gone to waste. Huge coconut gardens, sugar cane gardens, plantain gardens, involving crores of rupees of loss, have been completely razed to the ground and a tidal wave about 11 feet in height has come into the country about 10 miles inside and deposited salt silt on fine paddy lands—Sir, this area comprises about 350 miles in length on the east coast running about 15 to 20 miles into the interior—and the mighty storm has played a great havoc on the economy of this area. Again in the south of Madras, there was an unexpected failure of the south west monsoon and in the crop the Cauvery delta has also faild. The water in the Cauvery has gone down by several feet and there was no water sufficient for the second crop and in the Mysore pleateau the failure of rains hascreated a serious disturbance of the economy. Five districts, called the Ceded Districts, in Madras which are famine-stricken usually almost every year have also suffered the same fate for want of rain. Madras, Sir, has been the worst affected part of the whole of India this year and the deficit has come up to nearly 5,00,000 tons of rice. Normally, Madras was never a surplus province as a whole. We had been always importing rice from Burma and Siam. The Japanese overran Burma in the war and our supplies of rice suffered a serious handicap and with these deficits in production Madras Presidency is experiencing a very serious hardship and if sufficient quantity of rice is not forthcoming in the near future I have no doubt that a very serious situation will be created in the Southern Presidency which will be greater in its tragic effects on the population than was the Bengal famine. According to an article of my friend, Sir S. V. Ramamurthy, who has gone to America as a representative of the Government of India and of the Madras Government in an American paper 10 million will have to face starvation if no help comes.

"Now the people who face death belong to all ranks of the population, vocal and intelligent people. They will not die easily and as the food supplies fail, they will bring down the whole fabric of life and administration and life in India."

This is the opinion of the Second Adviser to the Governor of Madras who is an experienced bureaucrat and who is not an enthusiastic extremist. India has a minimum need of 20 lakh tons of rice and 30 lakh tons of wheat and about 1 crore of people are likely to die if this deficit is not made up. That is what Sir S. V. Ramamurthy has said in an article in the Washington Post of America very recently and we find, Sir, the disconcerting news from America that this Conference which is composed of the representatives of the nations of the world is facing a deadlock. Perhaps from the speech and from the demeanour of the Hon. Member in charge of Food one is led to believe that he does not take a serious notice of the deadlock that is created in America but we cannot share the easy optimism which he has given expression to in his speech.

THE HON. MR. HOSSAIN IMAM: It is irresponsibility.

THE HON. MR. M. THIRUMALA ROW: My Hon. friend Mr. Hossain Imam says it is irresponsibility. I have no objection to that term being applied. If the cap fits it is all right.

THE HON. SIR JWALA PRASAD SRIVASTAVA: I did not use it.

THE HON. MR. M. THIRUMALA ROW: Sir, this is the situation in which we are finding ourselves today and the reason why I have proposed my amendment is this. You require a countrywide organisation to face the situation. I think from the very frequent reports and the publicity that is given by the Madras Government one can say that the Government of Madras is putting up heroic efforts to face the situation. The procurement plan which is given in very great detail is worth studying in every part of the country. I have seen, Sir, with my own eyes and known personally how the Madras Government have procured their foodgrains during the last two years. They were perhaps the first in the field in organising rationing in all the important towns. No dout there are certain defects which an Adviser regime

is bound to have In the matter of procurement they have said that they will employ village *karnams* to collect all the surplus grain from the villages. Madras fortunately has got a system of village administration where the *karnam*, or kulkarni as you call them in other parts of the country and the village Munsiffs are hereditary officers and they have been brought up in a tradition of centuries. They are the natural leaders of the people in all crises. Therefore, you can get immediately on the spot and know the amount of acreage each ryot has sown and reaped and what his average necessities of life would be in every village. From that knowledge extending over a long time it will not be very difficult for the village headman and the *karnam* to assess the requirements of every village and find out the surplus that is available for being given over to the Government. The Government have established now a system of businessmen for every *firka* of 15 to 20 villages to collect all this extra grain and hand it over to the Government, but I must say, Sir,—I have known personally—that there are grave abuses also in this system. One has to minimise them. I know when Deputy Collectors were appointed as procurement officers they helped themselves not only with both hands but with all the hands of their relatives together. I know, Sir, when you have appointed middlemen as procurers and agents of Government the Tehsildars and Deputy Collectors they instituted a very close and searching enquiry through the C.I.D. whether certain people had had anything to do with the Congress in their lifetime or the lifetimes of their forefathers. They made them the instrument of their patronage. During the last two years these agents of Government have earned a lot by these procurement methods and by running ration shops. Practically a levy was collected from the ration shop licences for war funds. I think we should do away with all this and must try to minimise these defects to the extent possible. When the Government is responsible to the people, when there is fear of popular opinion on the executive these defects will certainly be minimised. I know, Sir, the Hon. the Food Member may say that these abuses were also rampant when there were popular Ministries in the Provinces. I do not minimise that. The human nature and the general character of the people also should be taken into consideration and we should try to minimise the evils that are inherent in the system of wholesale procurement.

Then, with regard to price, there are differences of opinion with regard to the selling price fixed. There is a clamour on the part of the producers that the price of paddy as fixed in Madras is not sufficiently remunerative and that the cost of production has gone up by 200 per cent or 250 per cent. A ryot who could get a pair of bulls for Rs. 250 before is not able to get the same quality of bull for Rs. 500 or Rs. 600 even. The labour charges have gone up by nearly 150 per cent. or 200 per cent. Those people who used to get 10 annas a day are paid Rs. 1/4 a day as daily labour of 6 to 8 hours. Therefore, Sir, it is a very difficult problem from the literature that has been supplied by the Famine Commission report and from the Gregory Report to come to a definite conclusion as to which is the fair price having regard to the production charges of the producer and to the consumption charges of the consumer. But still, when you see the prices of other industrial articles and compare them with the prices of agricultural produce, you will agree that there is injustice done to the agricultural producers.

There is an argument that food should be subsidised. I have noted here that my Hon. friend the Member in charge of Food has said that subsidising of food is one of the items in his programme. In a crisis like this, you have to encourage people to produce more food. The Madras Government have already started subsidising the producers—or rather, they have announced a scheme to subsidise agricultural producers at the rate of Rs. 15 per acre if the agriculturist produces within the next two or three months short- term crops like jowar or bajra or groundnut. If you give greater inducement to the producers by raising the price of the produce and if you subsidise the poor consumer by reducing the cost of his articles of food until the crisis is tided over, that will be a good scheme. In Madras, the ceiling price of paddy is about Rs. 11, but nobody gives the producer that ceiling price. A bag of 166 lbs. is sold generally between Rs. 10-4-0 and Rs 10-12-0 in different districts.

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But there is also the point that the producer is also the consumer. Nearly 75 per cent. of the producers are also the consumers. If you benefit the producer, you will also be benefiting the consumer. Therefore, I suggest that a careful examination should be made with regard to prices with a view to seeing that the industry of agriculture is made more worth-while in an atmoshpere of an all-round rise in prices showing no tendency of going down in the near future.

Then, Sir, with regard to distribution a great organisation has to be built up. We have to avoid the black market. I am reminded in this connection the great abuses that have crept into the distribution of cloth. I will give you a parallel here. Suppose some fine cloth, or some tussore, or some other cloth comes here. A certain number of *thans* is delivered to a shop. I know that control officers of the Civil Supplies Department go and monopolise the pieces and take them out under false vouchers. Their kith and kin and near relatives will take away the consignment of cloth, and when an ordinary consumer who is not so influential or connected with any dealer comes to the shop, he is told that all the cloth is sold out. With regard to distribution of food also, unless the system of rationing is effectively organised in every nook and corner of the country, the articles of food procured are bound to go into the black market. I want the Department to take full advantage of the co-operative societies. The co-operative movement has a good record in the Madras Presidency. I am told by a friend, who is in the very thick of it, that about 1,100 or 1,200 societies have been organised in the last two or three years specially for the distribution of food. There are district agricultural marketing societies in all district headquarters, with lakhs of rupees as capital. They buy all the essential food requirements and distribute them through their agencies. This is a time of stress and difficulty so far as food is concerned, and this is the time when you can bring into existence a widespread organisation based on the co-operative movement which will gradually eliminate the abuses that a middleman is bound to create in the machinery of distribution. In Madras there is one co-operative Society, called the Triplicane Urban Co-operative Society which deals annually in Rs. 50 lakhs worth of foodstuffs. The outturn of this one society alone, which was started nearly 30 years ago in Madras City and is which has several branches, nearly Rs. 50 lakhs a year. I think this is the time when a central marketing organisation or co-operative organisation should work hand in hand with the Food Department.

Coming now to the question of digging wells and deepening tanks and otherwise exploiting all sources of water, there is a proverb : When the house is on fire, the water-diviner is called to ascertain the spot which is likely to yield water ; then the mason and the builder are called and asked to build a well ; and then you start on the job of extinguishing the fire which is consuming the house. That is the policy which this Government has been pursuing, because its only function all these years has been to maintain law and order in this country. The distribution is a gigantic scheme which requires a parellel organisation. I am adducing every argument in support of my amendment. If you have got a Government here, it is not enough. If you have got a paid staff, it is not enough. You must have an organised following in the country. There are only two parties which have got an absolutely organised following—the Muslim League and the Congress. The Congress organisation is carried to every corner of the country—to every town and to every village. I may tell you that in every district, in every village, there is a Congressman to carry the message of the Congress. You must trust the popular leaders. What is the reason that has led to the Congress Working Committee to turn down the proposal to join the Food Board at a high level ? Because it is merely an advisory body. Congress does not want to take the responsibility of tendering advice when it has not got the responsibility of making that advice effective. Therefore, the time has come now in this great crisis, when a famine on the scale of the Bengal famine is about to sweep the whole country, when the House should vote for my amendment and tell the world what the Government of India is doing. This is the most opportune time, when in three days time the British Cabinet Mission is due in this country, to tell Britain that if this machinery is handed over to popular representatives it will be possible for the Government of India to solve this food problem which is staring us in the face today.

These are all important constructive suggestions. It is not a question of Hindu or Muslim, or Congress or League. All of us are prepared to join to see that this nation first lives, and then we shall fight for dividing the doles of office, or the fruits of office, whatever they may be. I appeal to my Hon. friends to understand the spirit in which the amendment is moved. He should see that there is a constructive side to this question which can be tackled only by a popular Government. There is the great question of controlling our rivers, of bringing uncultivated land under cultivation, of handling other great agricultural projects which will bring millions of acres under cultivation and banish famine for ever. Therefore, I appeal to the Hon. Member to see that there is no question of party or government in this matter, and to accept this amendment and tell the world that at a critical moment like this the people and the leaders of this country are one in solving the food problem. With these words, I move my amendment.

THE HON. THE PRESIDENT: Amendment moved:

'That at the end of the Motion the following be added, namely :-

"and after having considered the situation in all its aspects, this House is of the opinion that a National Government at the Centre composed of popular representatives which can alone tackle successfully the serious food problem should immediately be set up".'

THE HON. SIR SHANTIDAS ASKURAN (Bombay: Non-Muhammadan): Sir, I have heard with great interest the statement which my Hon. friend the Member in charge of Food Department has made at great length. It was complimentary in a way to himself and his Department for what they have done in the matter of food. We are all anxiously waiting for the realisation of the hope which he has created in our mind, though I hesitate, and people also hesitate to believe that the difficulties can be overcome so easily as he thinks. I am afraid neither myself nor His Excellency the Viceroy is so hopeful; otherwise, he would not have been going from door to door and to every nook and corner to see the situation for himself and be so anxious about it. With this impression in my mind, I say it is unfortunate that though the food problem has been discussed so often and so fully, the gravity of the famine crisis facing this country is still not sufficiently realised in certain quarters. And though many of the remedies which should be applied to save the people seem quite obvious, a good deal still remains to be done. It is not my purpose to take up old controversies or blame anyone. The imminence of the crisis demands that instead of indulging in futile wranglings and controversies, we should apply ourselves to the immediate needs of the present and the future. I shall only say this. That there has been bungling throughout—not only in this country but outside also—admits of no doubt. I was only reading this morning an editorial note in a well known London paper, the "New Statesman and Nation" in which it says: "No real explanation has yet been given of the extraordinary miscalculation that appears to have been made, not only in this country but in the world as a whole, about the prospective supplies of wheat. Unexpectedly short harvests explain something; but they cannot possibly explain the whole. The other part of the explanation appears to be that wheat stocks on the American continent have been quite recklessly dissipated in feeding pigs and chickens and that this misuse has continued right up to the present despite the increasing danger of world famine. The Argentine, it is said has consumed its spare wheat because it will not take any more payments in blocked sterling or other unrealisable currencies. North America has done the same because it seemed, for the time being, the most profitable course to take. But surely someone must have known that was happening and must have been in a position to warn the world's Governments including our own". That is what a London paper says. Our own Government will have also to explain many things. The suddenness with which the crisis has developed finds them unprepared, but even now something can be done to avert the disaster if the Government agencies and the people's leaders work with one mind and unflinching determination. All credit is due to His Excellency the Viceroy for the efforts he has been making in this direction. I was interested to read his proposal to have a small, compact food council at the Centre with full plenary powers consisting of Mahatma Gandhi, Mr. Jinnah, the Nawab of Bhopal and himself. In the absence of details it is difficult for us to say why the Congress found itself obliged to reject the proposal, but I hope these efforts will be pursued and that in the next few days some such highpowered

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body will be set up here to accept complete responsibility and direct food policy and administration. It must be something of a super government—strong enough and able enough to have its way and see that both the people and the administration play their part.

It was with a heavy heart we read, Sir, in the morning papers that the Combined Food Board meeting at Washington has run into a severe deadlock. It is to be hoped that it is only a temporary phase and that, in any case, whatever may be the stumbling blocks in the way of complete agreement at the moment, the needs of famine threatened countries like India will receive due consideration. No country in the world has suffered so much during these war years as India—with a half famished population faced with continued food shortages and prices rising as much as 200 to 300 per cent. I may also point out to my Hon. friend that England, though not producing even enough vegetables for their own country, has been able to feed their people with a rise in price of 50 per cent. over the pre-war level, while we here who are producing everything, have a rise in prices of 200 to 300 per cent. and yet you want us to give you compliments. It has gone through the terrible Bengal famine which took a toll of over two million lives followed by widespread epidemics causing further heavy mortality. Now that we are threatened with a more terrible calamity—according to an official estimate, as many as ten million people may die of starvation during the coming months if immediate help is not forthcoming, are we not entitled to expect help from those countries which used our resources during the war. It is not mere sympathy we are asking for. We want justice and fairplay. I am not unware of the general food position in the world, but it seems incredible that those nations controlling the Food Board would deny us this reasonable request of ours in the present crisis.

I am glad that the Government of India have announced a number of measures during the last few weeks to help agricultural production and are also holding weekly Press conferences to place as much information as possible before the public. In such matters as food which concerns the very life of the people it is bad policy to withhold information or lull the people into a false sense of security. Let me confess, however, that I have my doubts about the Government's plans and intentions. We heard a good deal about the " grow more food " campaign. Crores were spent on it. But what is the result ? It is a sad story. May I hope that now at least the Government will profit from the lessons of their past experience and approach this taks in a different way and in a different spirit. Departmental plans will be of no good unless they associate the people with it, they take the advice of the people's leaders, they set up food committees in every town and village and work through these committees who will see that the money is well and usefully spent. In my speeches on the Railway Budget and the General Budget, and also in a statement which I issued to the Press a few days ago, I made certain appeals to the Government which I hope the authorities have taken into consideration. I do not want to repeat them, but on this occasion I would like to make a few concrete suggestions.

Firstly, may I ask the Government to pay special attention to the problem of uncultivated land. There are millions of acres which though cultivable are still uncultivated. In dealing with this question—in fact, I may say, in dealing with every aspect of the food question—the Government should have both a long-term and a short-term view. I read the other day the statement of a metereological authority that this country should be prepared to meet scarcity conditions and the threat of famine once every twenty years. We have had serious set backs in the first half of this century, but it may be remembered that even during the second per—war years half of the last century there were as many as 24 famines—big and small. In the pre-war years we have made up our shortages through imports, but now at least a determined attempt should be made to make the country self-sufficient. The causes for large tracts of land remaining uncultivated are many.

Sometimes it is due to differences between landlord and tenant, sometimes to heavy Government assessment or official harassment and sometimes due to lack of facilities or because the growing of foodcrops has become uneconomic. Let me call attention to one point. Not only has the growing of food crops become uneconomic but even the chance to recoup through other crops like cotton has been lost to the agriculturist. There is an announcement today about future arrangements about cotton. The Government of England is going to buy all the cotton for their industry through proper agency appointed by the Government. That means the U. K. C. C. They will take all our cotton and we will be starving for cloth, but we will have to sell our cotton at the lowest fixed rate of the Government. I had given a warning in my Budget speech. Again I ask the Government members present here to tackle this question seriously and see that the result is not so disastrous. The Government have fixed the prices of cotton, for instance, so low compared wtih world prices that the agriculturist suffers there also. The Government should examinecvery one of these points and see what should be done to bring all this land under cultivation. Subsidies, reduction in assessment or total exemption of revenue for some time if necessary, free grants of land to tenants these and other measures may be adopted as an inducement to agriculturists to cultivate these lands and increase our food production. Whatever the cost may be it is the Government's first duty to increase our production and see that there is sufficient food for everybody. If our land tenure laws or similar difficulties stand in the way, they should be immediately changed in national interest. Our production figures show that we have not paid adequate attention in the past to the urgency ofincreasing production. Let me refer to rice, for instance. The total production in British India was said to be 28·2 million tons in 1911-12 which dropped to 21 million tons in 1940-41 and afterwards to 23 million tons in 1942-43 hardly enough for the population particularly when we take into account the increase in the population.

My remarks apply also to Burma which in pre-war years was importing rice to us. The Government of India should provail upon the Burma Government to see that production is rapidly increased. If owing to political or other troubles or threatened lawlessness in rural areas or wrong economic policies they allow production to fall not only they but we also in this country will suffer.

I am glad to see, Sir, that the Government have taken up the question of importing tractors and other agricultural machinery. There has been considerable delay in getting them with all the necessary implements, but now that the war is over, the Government should speed up the process and arrange their distribution on proper lines. But let us not forget that the mainstay of our agriculture is cattle. If there is dearth of cattle, it will have its inevitable effect on our production. The last Cattle Protection Conference held at Agra in December presided over by His Highness the Maharaja of Bharatupur (a Conference convened both by Hindus and Muslims) called the Government's attention to the big deficiency in our cattle wealth. The resolution further said :—

"Notwithstanding the fact, that there is a great deficiency in the number of cattle, the Government did not undertake any special measures to check its slaughter. The Government of India's Notification, dated the 26th July, 1944, is only an eye-wash. The Punjab and Frontier Governments did not, inspite of the repeated popular demands, give any legal shape to this Order. Even the Provincial Governments which gave effect to this Order did not make proper arrangements for the inspection of slaughter houses. The result is that the slaughtering of cattle is still going on as before. In spite of the fact that the Slaughter Control Instructions were published with the concurrence of the Military authorities, the young ones of cows and buffaloes kept in the Military Dairy Farms, though of very good breed and numbering not less than 30,000, are slaughtered mostly two weeks after their birth or in some cases even soon after their birth. According to the Report of the economic Inquiry Committee of the Punjab Government, No. 65 of 1937, it is not only goats that are slaughtered for the purpose of soft skins, but also pregnant cows

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The fact remains that the indiscriminate manner and quality and quantity in which cattle are being slaughtered during the time of the present Government, surpasses all the previous periods. This Conference expresses its deep sorrow at the Government's policy encouraging such indiscriminate slaughter of cattle. In the interest of the public it is considered essential that not a single useful cattle be slaughtered and that a special provision be made in the Indian Penal Code by which slaughtering of useful cattle be considered as an offence for which punishment should be fine and confiscation of cattle ". I shall only ask, in addition that the administrative arrangements everywhere should be tightened up in such a way that further slaughter of useful cattle becomes impossible. This is an order by His Excellency himself after he was convinced that agriculture suffers owing to shortage of animals for agriculture. He also got the agreement of the military to this.

One word, Sir, about rationing and the way it is being administered. Are the Government unaware of the corruption and inefficiency of the system ? The sufferings to which the poor people and the illiterate are so often subjected by subordinate officials are pitiable. They are made to wait for hours and unless a secret fee is paid they do not even get the ration card. I do not say that this kind of thing is happening everywhere, but I want to impress upon the Government that unless they take steps to stamp out corruption and prevent official high-handedness, rationing will only impose additional hardships on the people. I am in favour of the extension of rationing to as many areas as possible, but at the same time the Government should ensure its proper working. One way in which it can be done is the setting up of popular food committees everywhere to supervise general distribution arrangements and enlist public co-operation in the fullest measure.

THE HON. SIR JWALA PRASAD SRIVASTAVA : Is this not being done in Bombay ?

THE HON. SIR SHANTIDAS ASKURAN : Bombay is the only province where they have done it from the beginning and has been most satisfactory. Others have followed the example of Bombay. The Government of India have learnt a lot from them.

And before I sit down, Sir, let me refer to the fifteen-point resolution on food issued by the Congress Working Committee. There is nothing in it which is inconsistent with or essentially different from the policy announced by the Government. That is all the more reason for demanding that in meeting the food crisis the two—the Government and the people's representatives—should come together as close as possible and ensure its proper working. Let it be remembered that the task of tiding over the threatened famine crisis, however important in itself, is not the only end in view. It should be looked upon as the starting point for building up a comprehensive food plan for the future which will save the country from these continued threats and provide at least a sufficiency of food for the population.

One word more, Sir. I am very glad to have an assurance from my Hon. friend, the Food Member, that the poor will be subsidised in the purchasing of food at cheap rate and that the unemployed and disabled will be fed free.

THE HON. SIR DAVID DEVADOSS (Nominated Non-official) : I have listened very carefully to the able speech of the Food Member who no doubt patted himself on the back and ended up by saying that everything will be all right. I am afraid, Sir, this optimistic view should not make him feel complacent about the conditions.

Sir, coming from Madras, I wish to point out that nature has been very unkind to us. First of all the south-east monsoon failed. In addition, we had a cyclone and a tidal wave. Sir, they did extensive damage. Now, the people are suffering greatly. They have not got enough to eat and the prices are so high that even ordinary people find it difficult to get as much food as they want. That being so, Sir, it is the bounden duty of the Government, both provincial as well as Central, to provide Madras as much as one million tons of cereal, whether it be rice or whether it be wheat. Sir, it has been always said that Madras people are mild people. It is not so. There has already been rioting in a well-known place called Conjeeveram

in front of the Rationing Office and there will be riots all over the Presidency. The Madras man is not likely to lie down to die as the Bengal people did. He would rather go to jail because he knows very well that he will be fed there, because the jail food is always good and very healthy. Now, what I want to say is that we should try to prevent rioting and upsetting of all ordinary life and that we must do it as quickly as possible. No doubt, the Madras Government in the beginning till the end of last year was rather complacent about the thing. They said it is not so bad, we may get on and so on, as my Hon. friend thought that they will be getting rain from the north-east and things will be all right and so on, but it is only after, I believe, one of the officers from the Centre went to Madras that he really found the situation to be very bad and that induced His Excellency the Viceroy to visit Madras which showed really how things were. He went from place to place and found the withered crops and the dry tanks, which were not ordinary tanks—we call them tanks no doubt but they are very huge reservoirs which ordinarily irrigate, not hundreds of acres but hundreds of thousands of acres. Well, he was so impressed by what he saw that he at once made arrangements to send people to England and America for the purpose of getting food. We hope, Sir, that the Government will spare no efforts to get as much wheat and rice as possible from not only America and England but also from Australia. There is no use in saying we will be getting them. What is the good? When a man is actually dying for want of water or when a house is actually burning it is no use of saying we are sinking a well. They would be dead by the time help comes and then you may get any amount of cereals and millions of tons of rice and wheat but they will be of no use. Therefore, I say what you have to do do it at once.

Sir, instead of simply blaming the Government I would suggest a few remedies. The first is, as I have already said, get cereals from outside. Then prevent export of cereals from India. No doubt a statement was made that no cereals were exported, but, Sir, the papers speak differently. It seems a large quantity of rice was exported from Bengal and I know Madras cereals are being exported to Ceylon. No doubt the Ceylonese are also South Indians—they must be fed—but charity begins at home.

THE HON. SIR JWALA PRASAD SRIVASTAVA: It is entirely incorrect that exports are going on.

THE HON. SIR DAVID DEVADOSS: I will take the Hon. Member's word.

THE HON. SIR N. GOPALASWAMI AYYANGAR: Is the Hon. Member aware of the smuggling that takes place to Ceylon?

THE HON. SIR JWALA PRASAD SRIVASTAVA: No.

THE HON. SIR DAVID DEVADOSS: Well, we get our information first-hand while your information comes through your offices. I would ask the Hon. Member not to rely upon the official reports. For once I will give a personal instance. In Madras vegetables are selling not at 25 per cent. of pre-war prices but 300 per cent. Brinjals were selling for 3 annas a seer; now it is being sold at 15 annas. I hope the Leader of the House will bear me out. When I put a question whether the prices had not gone up the Secretary referred the matter to Madras who replied that there had been only a slight increase in the prices! Well, Sir, I live in Madras and I know what my servants are buying and at what prices. What is the report of your officers? They will simply report as you like.

I do not want to go into further details. I have been drawn away from the course of my speech. Sir, when the Bengal famine was on we were all crying here—

THE HON. SIR JWALA PRASAD SRIVASTAVA: Will you give me a definite case and I will look into it?

THE HON. SIR DAVID DEVADOSS: I could give you one tomorrow if you want. I am speaking from experience.

Sir, when Bengal was without food they imported an expert. Of course the Government of India always import experts whenever a question is raised but when the expert landed he said there was no want of food in Bengal and the Secretary

[Sir David Devadoss]

of State was instructed to say on the subject of shortage of food that it was on account of people eating too much or having too much money or they are wasting everything. Sir, I should like to know which wiseacre instructed the Secretary of State for India to say that, because he could not have known it out of his inner consciousness. He must have been informed by someone and who was the person who informed him that the people were eating too much in Bengal, that they had got too much money and that they were wasting and some people were not selling.

Well, Sir, the Hon. Member cannot say that the information which is given by the Government of India to the Secretarty of State and the information which the Government of India receives from its officers is correct.

Now, Sir, the point which I was making was that Government should stop all exports, whether legal or illegal. As my Hon. friend, Sir Gopalaswami Ayyangar, interjected, a good deal of smuggling is going on to Ceylon. It is a well-known fact. I have only heard today that a lot of useless or spoilt rice has been thrown on Tinnevelly—about 10,000 maunds or tons I forget now. Well, Sir, that is from Travancore. That is what they are doing. Things are happening like that but you cannot prevent it. I will come to that point why you cannot prevent it.

Then, Sir, we must stop waste. Take, first of all, the large quantity of rice that is boiled in the temples. I am not against Hindu temples. I am mentioning this only for the present purpose. Large quantities of rice are boiled in temples every day. Let the gods also have a little less quantity. There is no harm in that.

THE HON. MR. M. THIRUMALA ROW: Who eats that rice?

THE HON. SIR DAVID DEVADOS: All useless people, all idlers. Not the halt, not the maimed, not the blind, but all the temple servants. The food is wasted Why not cut down the rations?

THE HON. MR. V. V. KALIKAR: But they do want something to eat.

THE HON. SIR DAVID DEVADAS: I quite agree. But not everything. Temples have got large stocks of paddy and other grain. So also the so-called Maths. Why not commandeer them? Why should you not do it? This is a matter of emergency. This is not an every-day occurrence. Again, a large number of people are fed at marriages and such other occasions. That should be prevented by some means or other. Eating-houses also should not supply a large number of courses. You may have seen a recent cartoon in "The Hindustan Times": you cut down the number of courses, but then one course was so big! What is the good of saying "Cut down the food"? It is not the number of courses—it is the quantity that is eaten. Therefore, wherever waste is possible, you must stop the waste.

Then, Sir, they are going to have a "Grow More Food" Campaign. I want that whatever loan is given, it is given directly by the Collector. It is no use giving it through local officers; not even 75 per cent. will reach the ryot. Then, the revenue officers also—I am talking of Madras—must be kind to the ryots and try to help them. The officers think their job is to get as much as possible, squeeze as much as possible, out of the cultivators, to say, "We have collected so much," and so on.

The next point I want to refer to is this, that the controls must go. Of course it may be asked: "If the controls go, do you think things will be better?" I think so, because the corruption that prevails is awful. Where does all the money come from which is given in the form of bribes? It must come from the cultivator or from the poor man who has to buy the thing. I will give you one or two instances. I have here a paper which mentions the case: it refers to the Textile Commissioner of Madras and his friends. One man is the head of a certain society or sabha, and the other man is the secretary. Would you believe it, for one performance, for one so-called music concert, they collected Rs. 82,000? From whom? Who would purchase the tickets? Textile people, who deal in textiles.

THE HON. MR. M. THIRUMALA ROW : Licence-holders.

THE HON. SIR DAVID DEVADOSS : There was a complaint about them and now there is a case going on. What I say is that all this money comes from the men who have to buy—from the poor men. Therefore, I say, all controls must go. Corruption must be put down. For the purpose of putting down corruption, you must see that people have a voice in the matter. These licensees are persons who pay any amount in order to get licences. These licences should be stopped.

I will give one or two instances. Every Jack-in-office thinks he is an autocrat. You cannot do anything. If you ask for a licence, you are told, " You have not been in the trade before ; therefore, I won't give you a licence." And if you are a trader, you are told, " No, you are not in the good books of the Government." There is no appeal against that decision. Take one instance, of which I am personally aware. In Kodaikanal, which, as you know, is a hill station, ordinary people grow vegetables ; they grow potatoes and so on. One fine morning an order is passed that the price of potatoes is only Rs. 3. They have already paid Rs. 5 per maund of seed potatoes which they purchased from the Agricultural Department. Then the Collector or some other officer says, " You cannot sell potatoes at more than Rs. 3 per maund." And who is the loser ? The poor grower. The same is the case with regard to vegetables—cabbages, carrots, and so on. You must sell only to the licensees, and what do the licensees do ? They get these things very cheap from the poor grower, and, going down some sixty miles or so, on the plains to Madura, for instance, they sell at double or treble the price. Therefore, I say that all controls must go. If the controls are removed, I do not think we shall be in a worse position, because these controls are the source of corruption, and corruption means suffering to the people. Therefore, I strongly recommend that, if the Hon. Member is intent upon really benefiting the people, he must remove the controls and see that corruption ceases.

THE HON. MAHARAJADHIRAJA SIR RAMESHWAR SINGH OF DARBHANGA (Bihar : Non-Muhammadan) : Mr. President, the gloomy picture of the food situation in this country which the Food Department has presented to us has filled the entire country with dismay. Nature has been blamed for it. But in the present age, when science has made such a rapid progress, Government cannot altogether escape the blame for allowing India, having such vast resources, to remain dependent on Nature for the bare necessities of life.

Thanks to the leadership of Lord Wavell, India did not suffer devastation in t e last war in the same measure as many other countries in the world. Still her sacrifices for the successful prosecution of the war were enough to exasperate her She tolerated all the privations during the period of the war in the hope that after the termination of the war she will live comfortably in peace. But the present condition of life and the prospect of famine have shattered that hope to pieces. Naturally, we see shadows of restlessness and strife. It will, however, not serve any useful purpose to apportion blame on this factor or that now, when we are face to face with this grim situation. The question of the hour is : what should we do to meet it ?

Both the Central and the Provincial Governments bungled during the last Bengal famine and that is now an established fact. The draw-backs of operations of the control departments in different provinces are also well-known. The first thing that a Government ought to do is to take lesson from its past mistakes.

Procurement and distribution are the two important things which should be carefully handled.

In the matter of procurement it is necessary for the Government to see to it that the growers are not harassed and sufficient quantity of grain is left to them to meet the needs of their family, dependents, and future cultivation. Conditions vary from locality to locality and individual to individual. Therefore, the local officials should examine every case individually before deciding what quantity of grain a cultivator should be made to part with. It should be recognised that all the necessities of life of cultivator are met by what he produces. He feeds so many labourers by paying them in kind, he maintains his cattle, he feeds the members

[Sir Rameshwar Singh]

of his family and his dependents aned converts his grain into cash for buying clothes, medicines, kerosene oil, paper, etc., besides such eatables which he does not grow. The education of his children and the social obligations also depend on the produce of his field. This, therefore, also raises the question of fixation of the price at which the surplus grain should be purchased. If an adequate price is paid, the propensity for hoarding and black-marketing will be greatly checked. Government should not make profit out of the growers' helplessness and whatever relief has to be given must go to the cultivators and consumers.

It should further be ensured that the grain is stored and looked after in such a way that they may not rot in granaries. No benefit will accrue to the consumer if the storage is not done in the proper manner.

The unexpected announcement about famine condition has, I am afraid, upset the market. The hoarders have found time to drive the stock underground and in certain places the shopkeepers have refused to sell grain on the ground that stock was not available. It may be that some growers have either concealed their surplus or sold it to profiteers. If precautions had been taken before making the announcement this dislocation would to a great extent have been prevented. But the mischief has been done and I think it will not be advisable at this stage to take harsh measures and thereby aggravate panic indiscriminately.

Government should arrange to have correct figure about the quantity it can reasonably hope to procure without causing undue hardship to the growers and traders and if that does not suffice to meet the situation it should arrange to import foodstuffs.

I congratulate Sir Ramaswami Mudaliar on the powerful speech he made in the General Assembly of the United Nations Organisation a few days back appealing to the world for helping India. India strained herself to the utmost during the last war to supply men, money and materials to other countries and now when millions of people here are threatened with starvation will she be denied their help to escape the catastrophe ? If it be so, I would think that humanity has deserted the world and the war was fought in vain.

Coming to the question of distribution, I would urge upon the Government to take effective steps to ensure fair distribution in the simplest possible manner. Our past experience is that in actual practice the work is done in a haphazard manner and it causes great hardship to people. The whims and caprices of the distributing authority coupled with his succumbing to undue influence play an important role in frustrating the noble intentions of Government. Machinery of distribution should be so perfected that the chances of these defects may be reduced to the minimum. The distributing authroity should also take into consideration the requirement of each class of consumers in determining the quantity. For instance, the quantity of cereals that may be enough for men of the upper and middle classes may be insufficient for those doing manual labour. Further, provision should be made for that class of people in villages who are neither growers nor labourers but depend upon the stock of grain in village markets. If foodstuffs become scarce in village this class of people will be hit the hardest. The plan of feeding the entire population can be successful only when the distribution is according to needs. For this purpose non-official co-operation is very essential. His Excellency The Viceroy has done very well in inviting Gandhiji and Mr. Jinnah to help him in the task. I think that the co-operation of all other organisations including those of the Landholders (who will be mostly affected) be enlisted in this gigantic task. This is a matter which is above all party considerations. Every well-wisher of the country should do what he can to ward off the impending calamity.

Sir, I need not say more at this stage. It is not the general prinoiple that matters. All of us recognise the need of economising consumption and fair distribution of foodstuff. What matters really is the way in which the scheme is actually worked. I hope I shall have further occasions to refer to this subject specially after we have seen how the Food Department's work both at the Centre and in the

Provinces is carried on. For the present, I hope that the entire energy of India will be directed to ward off the crisis and nothing will divert her attention to other matters until this problem is solved.

THE HON. MR. M. N. DALAL (Bombay : Non-Muhammadan) : Sir, the gravity of the present food position is so grave and sinister that it has completely overshadowed our normal difficulties of malnutrition and deficiency of the pre-war years. The reports that have appeared regarding the consequences of the vagaries of the monsoon, natural calamities like cyclones, crop failures and shortage in yield have given rise to fears that if immediate and stringent measures are not taken, the country may have to go through the ordeals of misery due to starvation. The famine threatening India to-day is the greatest in the last 50 years, greater than that of Bengal or of the year 1900. It will serve no useful purpose, Mr. President, at this stage to apportion the blame either to Government or to any particular Province or State for its acts of commission or omission at this critical juncture. What is required is a spirit of co-ordination of all parties. In this moment of crisis let not our leaders fail us.

The immediate causes of the famine were severe droughts throughout India, want of proper irrigation due to war years and the special requirements of the Army. It is a truism therefore to say that this famine is as much the result of India's war efforts as of Nature's malignity because, for in certain districts, the crop yield this year is only 15 per cent. of the normal yield. The agricultural efficiency of this country has gone down materially precisely to what extent we are not in a position to say at the present stage. The reasons are paucity of able-bodied labour diverted to the armed forces and high prices of cattle, agricultural implements, manure, etc. Further, the efficiency of production, apart from the mere quantum of the foodgrains produced, has been seriously affected by the fact that the population has been increasing at the alarming rate of 5 million people every year. The apparent prosperity of the cultivating classes, as a result of the high commodity prices, is neither reflected in greater productivity nor in the greater efficiency and higher standard of agricultural produce. Therefore, a smaller amount of food has to suffice for an ever-increasing and a larger number of people every year.

The Hon. the Food Member and the Acting Food Secretary have made innumerable very useful suggestions to meet the crisis. The Provinces are alert, energetic and alive to the situation. This is particularly so in the Province of Bombay which has made a competent job of rationing in all its phases. In no Province of India has there been such rigorous rationing rules and control as in Bombay. To talk only of a few, there is prohibition of service or distribution of foodgrains, eatables, milk and any beverage excepting tea and coffee, to more than 24 persons only at any function. The possession in your own house of more than 1 9/16 paili per unit of ration is an offence. In addition to the three course meals at controlled rates, we have meatless and chickenless days, and no eggs are to be served after 10 or 11 in the morning in any catering establishment. In contrast to this Sir, we have in Delhi all-white bread and rolls in wasteful quantities, porridge, fresh milk and cream seem to be unlimited. There appears to be not much of austerity in catering establishments in this part of the country although there is some austerity in Government hostels in Delhi. I wonder, Sir, how many of our bourgeois class in Delhi will relish the brown bread that we have had in Bombay for the seven years of war, or for the matter of that, the controlled powdered milk. Mr. R. A. Peperall, Chief Regional Officer of the Milk Marketing Board, says in a London message, " London sewage is three times as safe as the Bombay milk supply ", and yet, Nature has played a luckless part in our part of the country. For, the most severely affected areas are the districts of Bijapur, Belgaum, Dharwar, Sholapur and Satara of the Bombay Presidency.

Coming, from an industrial province which is naturally not self-sufficient in foodgrains, a province which has inflicted upon itself one of the most rigorous rationing systems and controls, we have a right to ask Government to see that the surplus provinces do not adopt too parochial an attitude towards us. If the surplus provinces refuse to give us the surplus food, I think it is Government's duty at least now to retaliate and stop their supply of cloth or any other commodities. I welcome

[Mr. M. N. Dalal]

the suggestion of the Government of India for monopoly procurement compulsory levy and an all-round reduction in the basic rationing on an all-India scale including the provinces of the Punjab and Sind. Special care should be taken to see that the administrative machinery at the Centre and the Provinces is properly co-ordinated as there is a possibility of its breakdown due to constitutional changes, provincial rivalries, party politics and disgruntled officers.

During the last 5 days we have heard of innumerable suggestions, both from the Agriculture and the Food Departments, suggestions for the increase of agricultural efficiency, of vegetables, fruits, tractors, ploughing fertilisers, irrigation, boring wells, to the manufacture of dehydrated foodstuffs, food yeast and other by-products, development of fisheries, import of milk powder and products, complete ban on the export of food parcels, foodgrains, edible oils and innumerable other long-term and short-term measures, which will go a long way to solve the food debacle. The suggestions by His Excellency the Commander-in-Chief which were read out by the Hon. the Food Member are really welcome.

But there is only one way to tide over the immediate emergency and that is by the maximum possible imports that we can get from abroad. The countries that can come to India's aid are just a few. An estimate of the United States Agricultural Department of food supplies for 1945-46 says—Ceylon food propsects are critical. For the same year rice production in Burma is creating an actual deficit. British Malaya is facing a cereal shortage due to absence of its imports from Burma and French Indo-China. And in Hongkong a 50 per cent. cut in rice rations has just been enforced. Therefore, Sir, the only country that can come to our aid is Siam. Siam has a certain amount of exportable surplus and, Mr. President, it must be remembered that India was the principal importer of Siam's rice in the pre-war days and therefore it should have the highest priority and a prior claim on its entire exportable surplus. This fact, Sir, should be driven hard and driven home before the Combined Food Board at London and Washington. But the substantial imports to tide over the difficulties of the immediate emergency can only be had from bigger countries like the United States of America, Australia and Canada, and there His Majesty's Government are in a better position to exert their influence to save the millions in our country. The message that 4 lakhs tons of wheat have been allocated to this country during the first half of the year 1946, if true, is very welcome news. Whatever we can get from abroad must be promptly and efficiently handled for which we should have the machinery, especially with regard to storage, transport, distribution and distributional agencies.

Finally, Sir, the Central Government is composed of a highly trained military personnel which did memorable work in the dangers and tribulations that effected the unfortunate Province of Bengal in the second half of the year 1943. Let us mobilise the same army again. Let us at one stroke convert this great engine of war into the greatest instrument of peace and constructive effort. Its ample resources, both in the matter of discipline, technical equipment and capacity to work to a time-table, must obviously be the spearhead of an all-India drive to meet a national crisis. This would be, Sir, the greatest post-war constructive work in which our soldiery will be called upon to fight a national emergency.

There is a world shortage of food and supplies of wheat, sugar, meat, rice, oil and fats in the year 1946 are 10 per cent. below its pre-war level. The position of India with its 400 teeming millions is far worse. The year 1946, Mr. President, is the year of our destiny and we can still save millions of our countrymen if we forget our political bickerings and work in a spirit of co-operation. In this dark hour of national peril it behoves all Political Parties, their leaders and all citizens, to sink their differences into the waters of oblivion, close their ranks and offer united resistance to this post of a food debacle, destroying our peoples, our hearths and our homes. I only hope, Sir, that there will not be separate Food Control Boards of the Government, the Congress and the League. If our leaders will cultivate the virtue of tolerance towards all and be prepared to discharge their responsibilities, comradeship in crisis, common achievements and common sufferings would help in revealing the essential unity of purpose for which providence has brought us together.

THE HON. RAJA CHARANJIT SINGH (Nominated Non-Official): Mr. President, before I speak on the motion before the House, I would like to say, with your permission, how sorry we were to hear of the sad bereavement which His Excellency Lord Wavell has sustained in the untimely death of his able son-in-law. He was a promising young man and had a bright future before him. We sympathise most sincerely with Their Excellencies Lord and Lady Wavell, and the Hon. Mrs. Astley in their irreparable loss. I would request you, Sir, to tender to them the heartfelt condolences of this House.

I am glad the Government have brought the question of Food situation before the House. The food situation in the country is serious beyond words. It concerns every hearth and home, from the highest to the lowest. Its gravity and importance demands careful consideration and immediate action. I would earnestly request all my countrymen to sink their party and political differences and join in this stupendous task for the benefit of humanity and the preservation of civilisation which is our common heritage.

You know, Sir, what happened in Bengal in 1943. The loss of life was appalling. The Woodhead report shows a very sorry state of affairs indeed. Still rumour has it that some people made millions at the cost of the dead and dying. What saved the situation at that time from deteriorating still further? As you know, Sir, and as Hon. Members know, it was not notes and minutes which are generally left in archives for future historians to judge. But the prompt and personal attention of Lord Wavell. He went into the matter himself and secured the help of the army. I should like to take this opportunity to express sincere gratitude to His Excellency for his noble efforts which, by the grace of God Almighty, were crowned with success. Not only India, but the Empire, has every reason to be grateful to him.

The present situation from all accounts is worse than what it was in 1943. It came as a surprise to hear the other day that thousands of tons of wheat flour, if not more, were allowed to deteriorate for one reason or other and had to be destroyed. This is not the time, Sir, for things like that. I hope my Hon. friend the Food Member will see that this performance is not repeated.

THE HON. SIR JWALA PRASAD SRIVASTAVA: Where was this?

THE HON. RAJA CHARANJIT SINGH: You yourself said so the other day in the Council. I don't remember the name of the place now. We cannot really afford to lose a single ounce, what to say of thousands of tons.

THE HON. SIR JWALA PRASAD SRIVASTAVA: Not thousands of tons anyway.

THE HON. RAJA CHARANJIT SINGH: Theories and dogmas are all right in times of peace and plenty, but now is the time for practical work. I hope our Allies, who take interest in this country, and also other units of our Commonwealth of nations will be able to divert their surpluses to India.

I am glad that Local Governments in the United Provinces and the Punjab and other provinces are doing all they can for grow more food. But all this would take time to bear fruit. What is wanted now is proper control and equitable distribution. But in my humble opinion strict care must be taken that these measures do not become by any chance instruments of oppression. Human nature is human nature all the world over. It would be too much to expect the services to remain unaffected if their families, their own kith and kin, are in any way harassed and dissatisfied. To tide over the present difficulty I would therefore strongly suggest that we should fall back on the previous plan, and request His Excellency the Viceroy to get the help of the Army again. With their sense of discipline and duty they can render invaluable help at this juncture. I have no doubt that our popular Commander-in-Chief will be only too glad to lend his helping hand.

THE HON. SIR JWALA PRASAD SRIVASTAVA: That is being done.

*THE HON. SAIYED MOHAMED PADSHAH SAHIB BAHADUR (Madras: Muhammadan): A discussion of the food situation has come to be a hardy annual. Always during the Budget discussion and sometimes twice a year we have this question discussed in the Legislature. Several suggestions are put forward by Members on this

*Not corrected by the Hon. Member.

[Saiyed Mohamed Padshah]

side of the House and many promises given by Government, but the despondent feature of it is that after all is said and done the situation does not show any sign of substantial improvement but on the other hand it has been steadily deteriorating in spite of all that is said to be done to cope with the situation.

Sir, for one like me who comes from Madras it is surprising to believe that the authorities at the Centre had no inkling of what was going to happen in the country as regards the food situation. I know I can speak from personal knowledge of the way in which the Madras Government has been trying to keep itself alive to the situation. In this connection, I should like to appreciate the vigilance of Sir S. V. Ramamurthy who is the second Adviser to the Governor of Madras, who all along has appeared to have been quite alive to the situation. At the meetings of the provincial Council he never made secret of the fact at least during the end of last year that the situation of food in the country was going to be very serious and I thought, Sir, that realising the situation as he did he should have taken steps to inform the Central Government of the crisis that was impending. It is, therefore, Sir, very surprising that the Central Government did not take the steps which it ought to have if not to avert at least to mitigate the danger that was coming. Besides these warnings, Sir, there were also other portends which should have made the Government of India more alive to the situation. In our Province, Sir, most of the southern districts depend upon the south-west monsoon for their paddy crop. The district of Tanjore, which is supposed to be one of the chief granaries in our Province suffered because of the failure of monsoon in June last. The fact, Sir, that the south-west monsoon was on the whole a failure should have opened the eyes of the authorities that everything was not all right in our Province at least. There were some rains just at the beginning of south-west monsoon season but afterwards the monsoon failed and then again there were belated rains just at the end and then, Sir, there was also the failure of the monsoon in the northern districts. The north-east monsoon on which Kistna and east and west Godavari and Tanjore depend for cultivation ultimately failed. Besides that, Sir, there were cyclones and flood in those parts. The result of it all was that Madras is now the most seriously affected Province in the whole of India.

Sir, as I have said it passes one's comprehension how such a situation could not make the Government of India realise the seriousness of the danger that was impending.

Now, Sir, we understand that ration in Madras has been cut down recently—already the ration was very low; it was not up to the standard recognised by the nutrition authorities. If the ration has been cut down again it is obvious, Sir, that people there would not have the stamina, the strength to resist any diseases that might visit our Province on account of malnutrition and want of food. The better course for the authorities would have been to try and bring some other parts of the country under ration. As the Hon. the Food Member stated this morning, only 53 millions in the country are now under ration and what about the other 350 millions? Should not some attempt be made to try and see that this sacrifice, this task of dividing the burden on the country is equally placed on the shoulders of all in all parts of the country. It is therefore necessary, Sir, that instead of trying to cut down the ration in Madras Government should control things in other Provinces which are not now rationed so that instead of burdening Madras which is already on the verge of starvation those parts of India which have not yet come under ration should also come under ration, so that all the parts of this vast country may bring the same sacrifice to bear to the task of meeting the danger which now faces the country.

I am glad, Sir, that the Hon. the Food Member has given some good account of what the Central Government is doing to increase the production of food in our country but I say, Sir, even in this connection we do not see much evidence of any substantial measures being taken in this respect. The Hon. the Food Member said that the acreage under jute and cotton production has been decreased but has he got reliable information that the decrease in the area which was cultivated with cotton and jute has resulted in an equal increase in proportion to the increase of the acreage

under rice and wheat cultivation ? Unless this is done, Sir, the mere fact that there has been a reduction in the acreage of cotton crops does not warrant the inference that paddy crop has increased.

Again, Sir, as has been observed by some of my colleagues there is a lot of land in the country which is lying waste. Much of this land is covered with scrub. It has got first to be cleaned up, and to do this it is not possible for the ryot to provide the means. He has got to be provided with ploughs and mechanical instruments. For this purpose it is very necessary that tractors, for which this country has been clamouring for such a long time, should be got from abroad. In this connection I am sorry to note that Britain did not assume that attitude of help and co-operation which it should have done. I understand that recently an order was placed by the Government of India in the U. S. A. for the supply of 500 crawler tractors. In connection with this order, it seems that the vested interests in the United Kingdom, the manufacturers of agricultural implements, have been able to superimpose a condition that all the accessories for these tractors should be obtained from Britain, and that unless this is done the tractors should not be available for export to India. It is very sad that such a step should have been taken by the British Government, and that, in the face of the fact that India had made every kind of sacrifice in men, material and money to go to the aid of Britain during the war. If this condition is adhered to, it is very doubtful whether we would be able to get those tractors which have been promised to our country, because we know that in Britain the labour problem is acute, that they do not have enough of labour which is required for switching the industries from a war-time basis to peace-time needs. Unless this condition is waived by Britain., it is very doubtful if India would get the tractors which she needs. And without those mechanical implements it is very difficult to bring back to cultivation all the waste land which is now lying idle in many parts of the country.

Just a word about transport. The other day, "*The Statesman*" devoted a full leading article to the subject of transport. From that we gather that the bulk of the rice surplus in Siam which is intended to be sent to India for consumption in this country is lying there idle, awaiting shipment. It is strange how, even after the war is over, after all the necessity is over in which all the available shipping space was required for being used for military purposes,—after all that is over, that even now there should be lack of shipping space which should stand in the way of the transport of such badly needed food to our country from abroad.

Just one word about the grow more food campaign. I am glad that such useful instructions have been given to the military, and we are grateful to His Excellency the Commander-in-Chief for the instructions which he has given which would go to help the grow more food campaign. But so far as the civilian population is concerned, this grow more food campaign can never become a success unless at least two conditions are satisfied. One is that it should be made a paying proposition to the cultivator. Secondly, the price of the foodgrains should come within the reach of the common-man of the country. These two conditions seem, on the face of them, to be irreconcilable. But if we only make a real effort in this direction and do it in right earnest to solve the problem, it would be very easy to reconcile both these interests —the interests of the cultivators and those of the consumers. For this purpose one thing is necessary, and that is that the Government should subsidise food. We were very glad to learn from the Food Member this morning that a committee was examining the question of subsidising food. But my earnest appeal to him is that the committee should not be allowed to waste much time over it. Already we have precedents in this respect in some of the Indian States. In some of these States cheap grain schemes have been afloat for some time. Indore seems to be the pioneer in this respect ; it appears to have started this scheme as early as 1942. And this attempt on the part of this State was responsible for converting it from a deficit territory into a surplus one. This is the one and only method by which you could induce the cultivator to grow more food. The cultivator must be given his implements ; the cultivator must be supplied with the seed that he requires—improved strains of seeds wherever possible—and then the cost of production would go

down, and the result of this would be that the price of foodstuffs would not be quite so high as it is today and would be such as to be within the reach of the poor man in the country.

Before I conclude, I would only make an appeal to the Government of India that they should not continue to adopt the same attitude of indifference to my province. As we are far away from the capital of India, it is very difficult always to make the voice of Madras heard here. I would, in this connection, repeat what my Hon. friend Sir David Devadoss said, that Madras cannot be neglected, as it has been all along, especially in this matter. Madras would not take this neglect lying down, and if the Government does not want to give any cause for any trouble in our country, it should see to it that the very badly needed food that Madras requires is supplied as early as possible.

The Council then adjourned till Eleven of the Clock on Thursday, the 21st March, 1946.

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

MOTION *RE* FOOD SITUATION—*contd.*

THE HON. THE PRESIDENT: We will now resume yesterday's debate.

THE HON. SIR JOGENDRA SINGH (Education, Health and Agriculture Member): Sir, my eye is giving me a good deal of trouble and I would therefore ask your permission for the Hon. Mr. Dhar to read my speech. Before I do so, there are one or two points raised by Hon. Members yesterday with which I should like to deal. It has been said that the "Grow More Food" campaign has not been a success. I should like to draw the attention of Hon. Members to two facts. Nine million acres from cotton have been put under foodgrains. Hon. Members can calculate the amount of grain that these 9 million acres are likely to yield. If the "Grow More Food" campaign had not been there, then the situation would have been far worse than it is today. "Grow More Food" campaign has met the situation to a great extent. It is true there is a certain amount of deficit at present. But if this plan is continued for another one or two years, it is my hope that we should meet all our requirements in the country itself. The idea that India can continue to import food from outside is altogether impossible. We must produce all the food that we can and we hope to do so. What has been lacking is leadership. Leadership is needed to promote agriculture, leadership from people who sit in this Council going out to the villages and telling them how to grow. India can grow all the food that it needs only if we can supply good seed, and good manure for all our irrigated area and good market.

The Hon. Mr. Thirumala Row spoke regarding the co-operative societies. I am entirely in agreement with him. Co-operative societies in India, both for agriculture and marketing, can fulfil a great purpose. So far, in some provinces, co-operative societies have made some progress, while there are other Provinces where the co-operative societies have done very little.

Another point that was raised was that all culturable land should be taken under the plough. Culturable land, so far as water irrigation is available, is already under the plough. The population in the villages is so strong that they will not leave even half an acre of land any where if it can properly be put under the plough. There is land unprotected either by rain or by irrigation which can be taken under the plough, but that can only be done if sufficient irrigation is available and for that we are trying to introduce long-term irrigation schemes which will take a very long time. But, in the meantime, tube wells can be started to put new area under cultivation. In my speech I deal with this particular point.

The Hon. Sir Shantidas Askuran spoke regarding cotton prices. I am one with him that in the case of areas which have been taken away from cotton and put under seed grain, the cultivator should get the best price he can get for his produce. He has reduced the land under cotton. Therefore, so far as increase of cotton price is concerned, I am one with him and I will take this matter up with the departments concerned.

The Hon. Sir Shantidas Askuran also spoke regarding the use of tractors. I am placing a statement*on the table giving the details of the tractors which we have been able to obtain and the other arrangements we have made in the matter of takavi loans, tube wells and other things. The position regarding tractors is this. I am personally using a fair amount of tractors on my own farm. Tractors cannot be used in villages as they are at present unless the holdings are consolidated and bigger fields are available for traction ploughing. But where large areas are

*See Annexure A at end of the proceedings.

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available, tractors are useful and we are doing the best we can to get tractors. We sent one of our officers not long ago both to America and England and he has come back with a definite scheme to get tractors out. But tractors are being used by the people both in England and America and there are not a very large number of them available at present.

The Hon. Mr. Dalal spoke regarding the loss of milch cattle. Orders on that point are already out. Some provinces are following them, while other provinces are not following them, but this is a matter again for the provinces to carry out. I do not think that we have lost cattle to such an extent as to cut short our supply of milk. Indeed, what we need is feed for cattle. The cattle that are not fed cannot give you any milk. Take Bengal, parts of U. P. and parts of other provinces where food is not available for men. Then food is not available for cattle also. A smaller number of cattle, properly fed and properly looked after, will give you a greater supply of milk than we can get at present. In the matter of Mr. Pepperall's report, to which the Hon. Mr. Dalal drew attention, we have already issued our decisions on that report. It is true that milk is not supplied pure. Pure milk supply is the very great need of our country and to that end we are also proposing to start dairies wherever possible to have processed milk, powdered milk, etc., for the purpose. May I, Sir, ask the Hon. Mr. Dhar to read my speech ?

THE HON. RAI BAHADUR SRI NARAIN MAHTHA (Bihar : Non-Muhammadan) : Will the Hon. Member say something about irrigation plants ?

THE HON. SIR JOGENDRA SINGH : I am going to deal with it in my speech. For tube wells, I hope to announce in a day or two that the Government of India would be prepared to give at least 50 per cent. of the cost of the tube well to any private owner who wishes a tube well, but this matter has not been finally settled.

THE HON. RAI BAHADUR SRI NARAIN MAHTHA : During the course of this session I went to Calcutta to buy irrigation plant. I met Martins and some other companies and I was informed by all of them that in India there was only one plant available at that time for irrigation, that is, lifting water out of a river and drawing it into the fields.

THE HON. SIR JOGENDRA SINGH : There are now one or two firms in India who are making pumps and engines. You can get a supply from them. I just forget their name.

THE HON. MR. S. M. DHAR (Nominated Official) : I feel diffident to speak on this Resolution for it would have given me great pleasure if today I was supporting a policy of abundance. I do believe that with consistent drive we can raise India's production up to the standard required for its present population.

In reviewing the whole agricultural situation we find that there are three primary needs of agriculture without which it is impossible to raise crops to full maturity. Given good cultivation, the first need of agriculture is good seed, proper amount of manure and the requisite water supply. So to help the provinces to provide these needs, we have granted loans amounting to nearly Rs. 5 crores and grants amounting to Rs. 4 crores. I may say that it will need a great deal of leadership and drive both on the part of public men and the Government to provide even for the already irrigated lands the full supply of good seed, manure and water. Such leadership has so far not been forthcoming as men of light and leading are deserting the villages and settling down in towns. It is not so much a change in the tenure of cultivation that is needed as leadership in demonstrating and providing these essential needs of agriculture.

Regarding seed, we have given loans to the extent of Rs. 253 lakhs, that is $2\frac{1}{2}$ crores, and grants of Rs. 87 lakhs. These are expected to produce 700,000 tons of extra foodgrains per year. I am afraid we have not been able to place seed growing on a proper basis. Seed growing, when it takes its proper place, will have to be in three stages : as a mother farm, then a State-controlled multiplication farm and then seed farms in every village under proper arrangements. It would be necessary for each village to have an adequate area under seed grown under the direction of men

who have been trained to produce good seed. I think there is great room for demobilised soldiers to be given land for seed growing by hiring it out from the villages. Till each village has its own multiplication farms, it would never be possible to provide seed for the whole area available. I think the best way is to follow Professor Hill's idea and to set up throughout India some 20,000 to 30,000 'groups,' each with a centre, the groups being units of about 10 villages or covering areas with a population of about 5,000. These groups should in the first instance be limited to those areas estimated at approximately 80 million acres which from considerations of water supply, etc., will give a maximum return over a five-year period. Demobilised soldiers and emergency commissioned officers could be employed for this work.

Then again, India's greatest need is manure and it is my view that if we make use of all the manure that is available in the country, we can supply manure for the bulk of our irrigated cultivation. In this connection we have been drawing the attention of the provinces to provide for village forests so that these forests can supply the fuel and the cattle yard manure could be saved for cultivation. We have also taken up the question of composting town refuse in some of the towns and it is our purpose to take up 5,000 towns—big and small—available for composting. We have so far distributed something like 330,000 tons of town refuse compost and we expect to have compost every year 2 million tons from this source when all the towns are brought under the scheme which would be sufficient for 500,000 acres. We have also arranged for the necessary transport of compost and I am now trying that this manure may be taken to the villages so that its use may be more generally recognised. In addition, we have recently started a scheme for the composting of village refuse by co-operative action among the villagers. In addition to improving the cleanliness and sanitation of villages, we expect an additional 50 million tons of manure to be prepared from this source, which would be sufficient for about 10 to 12 million acres. More important than the extra manure produced, the village kamdars are now training the farmers in improving the quality of the manure produced by adopting simple methods of urine conservation. We expect highly useful results from this work, since even a partial conservation and utilisation of cattle urine would help to double the percentage of nitrogen in our farm manure and add about one million tons more of nitrogen to the soil. We are also exploring the use of water hyacinth in Bengal by composting and if the work that is now in progress succeeds it will be a useful source of organic manure for the rice fields of Bengal, provided that the hyacinth seed which is very obstinate is satisfactorily killed in the process of composting.

In the matter of fertilizers, as against a quantity of 70,000 tons obtained last year, for the year 1945-46 we have been allocated 154,000 tons. A factory at Sindri in Bihar has been planned and will soon be under construction, and another factory for making fertilizers has been set up in Travancore. But it needs proper instructions for cultivators to use them to the best possible advantage.

THE HON. PANDIT HIRDAY NATH KUNZRU: What will be the total production of these factories ?

THE HON. SIR JOGENDRA SINGH: They have not started yet.

THE HON. MR. S. M. DHAR: The total production of the Sindri factory is 350,000 tons, and that of the other is 50,000 tons.

I may say that though compost manure and fertilizers show a great increase they do not even now touch the fringe of the problem, *i.e.*, adequate manure needed for all our irrigated areas. When we do that, we can definitely depend at least on 25 to 50 per cent. increase in production.

In the case of oilcakes, some ground has been covered and 262,000 tons of oilcakes have been distributed but I have every hope that this supply will be multiplied when all of our oilseed is crushed in the country itself and only oil is exported.

We have also taken up the question of increasing the water supply and have given loans amounting to Rs. 62 lakhs and grants of 145 lakhs for emergency and minor works. These grants provide for the construction of 34,500 wells, 4,500 tanks, 7,700 other minor works in addition to repairs to 4,600 wells and 2,000 old tanks. I am afraid some of the provinces have been rather slow in carrying out the

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work, but it is expected that when these works are completed, they will add something like 700,000 tons of foodgrains per year to the annual prdouction.

The greatest need of a dry country where rainfall is scanty is an assured supply of water and during the year, Sir William Stampe, our Irrigation Adviser, has been examining the subsoil water supply available in some Provinces and States. About 2,500 tube wells have so far been sanctioned in the different provinces and these when completed will irrigate an area of about 800,000 acres. We have now with us Mr. Roscoe Noss, an American engineering expert, who has been going further into the matter of using deeper subsoil supply and his assurances provide another source of exploration. We have agreed to give to the provinces 50% of the cost of a tube well. I am now examining in consultation with Provincial Governments the question of going further and making available up to 50% of the cost of a tube well to any private agriculturist who can show that he has sufficient area of land which he can water and that the subsoil supply of water is within reasonable limits. I hope to be able to announce the decision shortly. These tube wells will naturally have to be according to the standard fixed by our experts and will have to be executed within a fixed number of months. The Department will do its best to procure the tube wells, engines, etc., and the equipment for the sinking of the wells. Applications for these should be submitted through the provinces specifying the area that has to be irrigated.

Then again mostly in the Bombay Presidency for anti-erosion works, etc., loans amounting to Rs. 48 lakhs and grants amounting to 56½ lakhs have been made. They cover an acreage of more than one and a half million acres and they are expected to produce 200,000 tons of extra food a year.

To sum up, during the war period which has just passed, we have by diverting areas from cotton into food crops and by other means put 9 million acres under food crops. These statistics are accurate except for the permanently settled areas as we have now proved by definite experiments carried out under separate arrangements and the increased yields have gone to feed the increased population. We are now starting a Directorate of Economics and Statistics at the Centre. Sanction for this has already been obtained and Mr. Natu will be the first Director.

The present food situation has been causing great anxiety to the Government. Personally I feel that it is the responsibility of the Agriculture Department both at the Centre and in the provinces to produce all kinds of food for our population and it grieves me to think that we have done so little to make an abundant supply of food available. We are also planning to increase the supply of milk, fish, poultry, etc., and plans for these are under preparation. In the matter of research and for the provision of properly trained agriculturists, plans are under preparation for the starting of an Agricultural College and an Animal Husbandry College at Delhi.

So far we have done little to explore deep sea fishing. It is a source which has been greatly developed in some of the Western countries and I remember at one time Japanese trawlers were fishing in the Bay of Bengal. We are proposing to start a Fisheries Research Institute -one Marine Station and the other Inland fisheries Station, and I am at present trying to negotiate for the supply of trawlers and fishing tackle from countries where it can be obtained as soon as possible.

We are also arranging as soon as possible to have (1) a Rice Research Station in a selected rice-growing area, with sub-stations if and where necessary; (2) a Central Potato Research Institute; and (3) a Central Pasture Research Institute. Potatoes give the highest yields and it is hoped that the area under potatoes would be increased to feed our increased population. Commodity Committees have been set up to develop the cultivation, marketing and utilisation of sugarcane and coconut which have great food value. A Bill for the constitution of an Indian Central Oilseeds Committee is under the consideration of the Legislature.

Some work on fruit was done in the Punjab. Not only in the development of commercial orchards but also in fruit products it has made a great success. It is now proposed to start an Institute of Fruit Technology with a Fruit Institute to help India in the matter of fruit-growing and making standard fruit products.

We have been trying to do all that we could within the resources of the Provinces and the States and in this I have received every support not only from the Hon. the Finance Member but the unstinted support from His Excellency the Viceroy himself. All I can say is that Agriculture is slowly coming to its own. For the first time Government has recognised its responsibilities to maintain remunerative prices for the agricultural produce and to aid agriculture by such means as I have indicated above. In the meanwhile I feel that though production may be adequate, its distribution requires the selfless assistance from grain merchants who have for centuries handled the distribution of production. I am sorry to say that so far the grain merchants have not shown the way how the procurement and distribution could be so arranged as to the supplies in all places as they were before the war. With inter-provincial trade and railway communications providing food even in the worst affected areas there was famine in money but there was no famine in foodstuffs.

BRIGADIER THE HON. SIR HISSAMUDDIN BAHADUR (Nominated Non-Official): Mr. President, Sir, I have heard with great attention and deep interest the speech of the Hon. the Food Member and I have no doubt that I am voicing the feelings of a vast majority of our countrymen, when I say that we are thankful to him and his Department for the gallant efforts that are being made to combat the great debacle of famine. Their's is a difficult and overwhelming task, and they are entitled to the co-operation of all those who have the welfare of their countrymen at heart.

I have also to express our deep appreciation of the keen interest that Lord Wavell has taken in the Indian food problem, not only now, when through an unprecedented drought, vast areas are threatened with starvation, but also for his efforts during the tragic days of the Bengal famine. Bengal went through what I consider to be an unparallelled situation, but that was during the period of a war of unparallelled intensity, when problems of transport and administration could not be tackled on a peace-time basis. Conditions today are different and there is no reason why the crisis cannot be successfully met.

I must pay my humble tribute of thanks to His Excellency the Commander-in-Chief for the lead he has given in austerity to the Army under his control. Might I utter just one word of caution to those who are demanding the army services for the civil administration in meeting the food crisis? There is a grave danger of soldiers getting mixed up with party politics and this must be avoided at all costs. I shall say no further.

I have paid great attention to the criticisms levelled by some of my friends against the Food Department and I have tried to visualise what some of them would have done, were they in charge of the Food Department. Could they have secured better procurement, would they not have introduced and expanded rationing, would they not try and secure imports from abroad and finally would they not have attempted to get the co-operation of Mr. Jinnah and Mr. Gandhi? Let us criticise by all means but let us be a little more considerate, a little more charitable and a little more fair-minded to those who are trying their hardest to save this country from one of the greatest dangers that the world is faced with.

A large number of demobilised soldiers will soon be available, and I can think of no better method of making use of their services than by giving them lands, and affording suitable facilities for cultivation. Wells can be dug and reservoirs constructed which can be of use for the resettled men and the agriculturists. They will confer a lasting benefit on the country.

The Food Department plans have been drawn up, but I presume they are only to meet the present crisis, which may last for a few years. I am dead opposed to controls, to the severe regimentation of our food, and therefore hope that we will not be forced to stick to these controls any more than is absolutely necessary. India will have to draw up long-term plans to meet the ever recurring fear of famines, and

[Sir Hissamuddin Bahadur]

we will have to leave much to Nature and God. I am here reminded of a Persian couplet which states—

"Sham-i-raze mokhur, barham mizan auraq-i-doftar ra

Ki posh as tifle ozad, pur kumad pistan-i-madar ra

"Worry not over problems of life's existence nor engross yourself in offices and files for God, even before he creates a new life, provides milk for the babe through its mother".

Now let me make a few concrete suggestions, which I have no doubt the Hon. the Food Member will seriously consider. It is admitted on all hands that corruption steps at the root of all administration, much more against food administration. I suggest therefore that those who have offered bribes should be protected against the legal consequences of their foolish actions, if they volunteer information on the corrupt officials who have accepted bribes. That should serve as a deterrent to those who have gained at the expense of the sufferings of their own countrymen. While on this question, might I state that corruption and bribery is not a disease peculiar to India, it exists in every country in the world. But that is no reason why we should not eradicate it from our land.

I have a few points on the "Grow More Food" campaign. Government cannot expect unqualified success in their endeavours if they have one set of laws for the landlords and another for the tenants. While the former are harassed to pay their dues to the tehsildars, very often they in turn have no remedy against defaulting tenants. This must be remedied without delay. Further, land revenue and water tax is too high and must be reduced. If the landlord is not assured of his recovery from defaulting tenants, he prefers to let his land be uncultivated. You cannot expect more food under these conditions.

Finally, I am afraid effective steps have not been taken to prevent the slaughter of cattle which are vital for agriculture. Looking at the question from a purely economic viewpoint, I as a Muslim urge upon the Government to ban the slaughter of all cows only for the next 20 years. This is not a religious question at all—it is just plain commonsense. Already there is no ghee and what is available, is out of reach of the ordinary men, and very little milk, and prices of bullocks are 400% of pre-war years.

In conclusion, I would like to make an appeal to the leaders of the two great political parties to sink their differences in this hour of national crisis. The eyes of the world are on us. What will history say—while millions faced starvation and death, we could not forget and forgive our mutual hostilities? The next few months are going to be crucial in our history. The challenge of death from hunger will have to be faced and I have no doubt that that challenge will be met by our political leaders in the only way such a challenge can be met, by willing co-operation and mutual trust.

The arrival of the Cabinet Mission within the next few days will offer us a golden opportunity for turning over a new leaf not only in the history of India and British relations, but also the Hindus and Muslims inhabiting this great land of India.

THE HON. SIR MAHOMED USMAN (Leader of the House): Sir, I think it would be better for me at this stage to make the position of Government clear so far as the amendment moved by my Hon. friend Mr. Thirumala Row is concerned, so that it may facilitate the debate. I would first like to say that the amendment as it stands is not at all acceptable to Government. As a matter of fact, I do not see any necessity for this amendment, because we all know that the British Cabinet Mission has already left for India, and they will be here in a few days, and they, in association with His Excellency the Viceroy are going to tackle the political problem of this country. One of the questions to be solved is the setting up of a new Executive Council. That being the case, I do not see any reason why this amendment should be moved at all.

I am sure the House would wish His Excellency the Viceroy and the Cabinet Mission every success in their most difficult task. What is needed is a just solution, a solution which will bring peace and prosperity to the country. His Excellency the Viceroy has also made it very clear in one of his speeches that the members of the present Government are ready to retire when a new Government is formed and would wish them every success.

THE HON. MR. M. THIRUMALA ROW (Madras : Non-Muhammadan) : On a point of information. Where is the difficulty for the Government in accepting this amendment ?

THE HON. SIR MAHOMED USMAN : The Hon. Member can have his say afterwards. What I would like to emphasise is this, that we all expect a just solution, a solution which will bring peace and prosperity to the country. Further I cannot accept the terms of the amendment as it stands. The Hon. the Mover here wants a national Government at the Centre composed of popular representatives which alone can tackle the food situation successfully. I do not agree. If there is no national Government formed, the present Government will certainly tackle the food situation, and we have confidence that we shall be able to meet the situation successfully. The amendment further says that the new Executive Council should be set up immediately. After all, there is no point in asking for this knowing full well that the Cabinet Mission are coming here to tackle this problem. I am sorry, therefore, that I am unable to accept the amendment as it stands, and the Government will oppose it.

THE HON. MR. M. THIRUMALA ROW : The Hon. the Leader of the House said that he had some objection to the exact wording of this amendment. I want to know if he is willing to agree to a slight modification which may be agreed upon in consultation by both sides.

THE HON. THE PRESIDENT : But the Hon. the Leader's point is that the Cabinet Mission is coming out to India to settle that question, and that it is not possible immediately to set up the new Government. They are going to decide the question. In view of that, the Hon. Member can think over the matter. He has got the whole afternoon in which to think over this matter. My advice to the Hon. Member is to accept the advice of the Hon. the Leader, because this matter is under consideration. The Cabinet Mission is going to consider the matter carefully. I therefore think that the amendment is inopportune at present.

THE HON. MR. M. THIRUMALA ROW : I am prepared to change the wording and put it in an acceptable form ; and, as you have said, there is the whole afternoon yet.

THE HON. THE PRESIDENT : I am afraid it is too late for that. The amendment has already been moved, and the Hon. Member cannot change the wording.

*THE HON. MR. N. K. DAS (Orissa : Non-Muhammadan) : Sir, although the Hon. the Food Member has a little too much trumpeted his own achievements, I feel that he nevertheless deserves a large measure of credit for having handled the food problem more or less on an equitable all-India basis, and if he has failed to foresee the vagaries of nature that befell Madras and almost the whole tract on the East Coast, we have still to make allowance for his limitations, as he is no more than an ordinary human being, who cannot look far ahead into the future.

The Hon. Member, Sir, in the course of his speech yesterday has enunciated many very high-sounding, almost socialistic, principles. He has said, for example, that the "lowest in the land must have a reasonable share of food". He has set his target very high indeed when he said that "there must be adequate and balanced food for all". It has still to be seen how far and how soon he will be able to achieve these high objectives. To my mind, Sir, these progressive ideals can only be achieved

*Not corrected by the Hon. Member.

[Mr. N. K. Das]

in a free country, where the State and the people have absolute and unswerving confidence in each other. These principles cannot be worked out with an alien Government dominating the country when distrust and mistrust surcharge the atmosphere. And it has, therefore, been very rightly observed by my friend from Madras that in order that this great catastrophe of impending famine may be averted in this country a fully responsible National Government must be set up at the Centre at once. Let us hope and trust that this will come to an actuality in the course of the next few weeks. All our sincerest good wishes go out to the Cabinet Mission and we wish their negotiations all-round and speedy success.

Sir, Orissa, the province I come from, is listed as a surplus province. And whenever I have tried to make out that the crop statistics are not reliable and that all our exportable surplus is made up of large quantities of foodgrains that used to flow from the neighbouring States, which in area make up about two-thirds of British Orissa, and that these having completely stopped, Orissa is not in the fortunate position of being termed a surplus province today, I have been looked at with a large amount of incredulity. But the fact remains and I make bold to assert still that British Orissa is not a surplus province in the matter of essential food grains, namely, rice and wheat. Therefore, Sir, a compulsory levy on Orissa for the all-India pool is, on principle, inequitable.

Let us look at it from another angle also. The *per capita* production in Orissa is taken to be 5·45 maunds in terms of paddy, which is the principal food crop grown there. And the *per capita* consumption in Orissa is taken to be at 3·61 maunds. If we analyse the latter figure, we find that it works out at barely 17 ounces per day per head of population. And whereas the *per capita* consumption in other provinces ranges between 22 to 27 ounces, in the case of Orissa figures have been worked out at starvation levels of 16 to 17 ounces and a surplus has been fabricated, so to say.

Sir, as a result of the annual visitation of floods and occasionally of droughts large tracts of lands have gone to waste and produce nothing. For example, in Balasore district, nearly two thousand acres of lands have been sand-ridden due to havoc wrought by the Baitarani and Brahmani rivers. In Puri and Cuttack large tracts of excellent arable lands have been laid waste due to identical causes; yet for the last 25 years or more rent and revenue is being levied and collected on these lands and I daresay that these lands figure also in the computation of crop statistics year to year. The land revenue policy, Sir, is so inelastic that you cannot escape the levy of rent and revenue even when your land yields nothing due to natural calamities.

A compulsory levy on Orissa, therefore, Sir, has to be very carefully made and cautiously worked out. It may, in fact, lead to great hardships. I have in some cases watched and followed up these compulsory levies on producers in Orissa, made by executive authorities and very often these are based on very wrong calculations of their total outturn and very, very scant attention is paid to their actual needs, which comprise of food, wages, fodder for cattle, clothing and other bare necessities of life. The compulsory levy of the Centre is reflected in the compulsory levy in the Provinces on the producers and the producer, finding himself helpless against the unsympathetic attitude of the Executive or of the Police, hides and hoards or black-markets his produce and the vicious circle or cycle goes on and on.

A word about the "Grow More Food" drive, Sir, and I have done. The "Grow More Food", Sir, has so far achieved no tangible results in my Province. People charged with such work, especially during a time when the whole country is heading for a calamitous famine, should be more practical and realistic. They should watch that the money advanced for bringing wastes under the plough are properly employed. They should appreciate the difficulties of the grower and advise and assist him in every possible way. They should find out potential and practical growers and not waste their money on insincere amateurs. Collective farming should be encouraged and the Department could usefully employ their energies in collective

farming on large waste or jungle lands of which there are plenty in Orissa and do more by way of example, so that these might serve as positive sources of encouragement to others.

To conclude, Sir, I am glad that the response to our Food Delegation to the U. K. and U. S. A. has been fairly fruitful and we could reasonably expect large consignments of wheat from these countries and from Canada soon enough. But the short supply of rice in this country is still unremedied and unless we have a windfall either from our early variety paddy or from imports from Burma or Siam, we shall still be helpless on that count.

Sir, the prospect of a calamitous famine in the months to come has set everybody thinking and I am confident that with the National Government set up in a few days and with the Viceroy, all attention to the seriousness of the situation, and with the Army personnel fully prepared to play a heroic part in the matter of distribution of foodstuffs, as they did during the Bengal famine, the clouds will clear and the great catastrophe averted.

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : Mr. President, my Hon. friend the Food Member began yesterday on a note of self-congratulation. I wish that he had left it to us to estimate the achievements of the Food Department and to give it full credit. Instead of choosing this modest and wise course, he unfortunately prided himself almost in every sentence of his speech on the results obtained through the efforts of the Food Department under his leadership. I am sorry that the manner in which he presented his case will prejudice the Food Department in the eyes of the public and prevent it from giving the credit that the Department is justly entitled to. If the first person singular had been used by him less frequently in his speech, it would have been better both for him and the Food Department.

THE HON. SIR JWALA PRASAD SRIVASTAVA : I never used the first person singular.

THE HON. PANDIT HIRDAY NATH KUNZRU : When the Hon. Member spoke of the achievements of the Food Department he referred to them as something that had been obtained under his leadership. I do not want to do him any injustice at all, but I must say that that was the impression left on the entire House both by the manner and substance of his speech.

THE HON. SIR JWALA PRASAD SRIVASTAVA : I am sorry if there is a misunderstanding. I never wanted to blow my own trumpet. I only wanted to make a statement—it was a statement of fact—about what the Department has been able to do during the last three years. I had to relate it because there is some misunderstanding and it was done in all humility.

THE HON. PANDIT HIRDAY NATH KUNZRU : I will accept the Hon. Member's assurance now. In any case, Sir, this is a smaller matter than the catastrophe which we are faced with and which must immediately receive our attention. If the Hon. Member, while detailing the achievements of the Food Department, had at the same time taken care to impress on us the gravity of the situation and the tremendous effort that must be made both in order to meet the present crisis and to get the help that we urgently need from outside, I for one would not have taken any exception to his frequent references to the great achievements of the Food Department. But the main fault of his speech, in my opinion, was that he diverted our attention from the principal problem that we have to tackle, and tackle immediately. I am sure that the Hon. Member did not want to do it. He is anxious, we may be certain, to obtain the foodgrains that are necessary to prevent deaths by starvation from taking place in this country. But his manner was such as to make us feel that——

THE HON. THE PRESIDENT : He has given his explanation. I do not think you should harp on it. He has given a thorough explanation on this point.

THE HON. PANDIT HIRDAY NATH KUNZRU: I have accepted his assurances so far as he himself is concerned. But I cannot help referring to the fact that his speech did not emphasise the gravity of the situation as it should have done.

There is just one more thing that I should like to say in this connection before I deal with the situation itself. In the last debate that took place in this House on the food question in November, 1944, I ventured to suggest to Government the desirability of supplying us with full information, at the commencement of every winter session, with regard to the food situation in the various provinces. I suggested, for instance, that we should be told what the procurement policy of the Provincial Governments was. I also suggested that the memorandum or the pamphlet that the Government should supply to us should inform us both of the prices of the foodgrains in different parts of India and the prices of the articles required by the cultivators, because it is only in this way that we can intelligently appraise the situation as a whole. Again, I asked that we should be informed to what extent ration cards were being regularly made use of; and in this connection I suggested that special efforts should be made to subsidise the poor man's food. I gathered from what my Hon. friend Mr. B. R. Sen told me and from the communications that I received from him last year that the information that I had asked for would be supplied. But I am sorry to say that in spite of the promises that were made, Government have failed to carry out their obligation in this matter. They have again prepared a memorandum giving us information only on some aspects of the food situation. This memorandum was laid the other day on the table of the House, but it was not circulated to the members. I have got a copy of it in my possession, because I asked the Council Office to give me one. The statement of policy prepared by the Department of Agriculture has been circulated to the members. I do not see why the usual practice of circulating to members all documents in connection with the food position and the agricultural policy of the Government which are prepared about this time should have been departed from.

Now, Sir, coming to the food situation, there is no doubt that the position is a critical one. It has been computed by Government that the deficit amounts to about 6 million tons. I should like to know what is the method that has been adopted to calculate the deficit in rice? I understand that it is estimated to be 3 million tons. Does it take account of the practical stoppage of imports from Burma? We used to receive about a million and a half tons of rice annually from Burma. We have this year got only 75,000 tons of rice and I am not at all sure that we shall be able to get a substantially larger quantity next year. Our ability to get more rice from Burma will depend on the area under rice there. On account of the peculiar situation prevailing in that country, the area under rice last year was only about 6 million acres which I understand was, roughly speaking, about one-third of the area in which rice was normally grown before the war. I know that the Burma Government is trying to bring a larger area under rice this year. But I think it will be too optimistic of us to place any reliance on this and to imagine that we shall get a substantial quantity of rice next year from Burma. Now, Sir, as I have said, we used to receive normally about 1½ million tons of rice from Burma. We lost about half a million tons on account of the cyclone which affected the East Coast. That is, before the failure of the monsoon, it was known that the shortage in rice would amount to 2 million tons. Has the failure of the North East Monsoon caused a reduction only of about a million tons. The total rice production is in the neighbourhood of 26 million tons, and although the rice crop in Bengal may not have been seriously affected, yet it is difficult to believe that the drought which affected the rice-growing tracts of our country has diminished our rice resources by only a million tons. Sir, this is an important point. I should like my Hon. friend the Food Member to tell us how he has estimated the deficit in rice.

In order to deal with the present situation Government have taken two steps. One is to reduce the ration allowed per head till a few weeks ago and the second is to send a Delegation to Washington to plead our case before the Combined Food Board. Taking the first point first, we understand that the daily ration of an adult is going to be reduced throughout India to 12 ounces. This is a serious matter to all those who are engaged in manual work, whether heavy or light. I know that the Government have agreed to increase the ration of the heavy manual worker by 4 ounces. But even so the total quantity that a heavy manual worker will get will

be quite insufficient to maintain him in full strength. I mention these facts, Sir, to bring out the seriousness of the situation and also to ask whether in deciding to reduce the daily ration of an adult to 12 ounces, due regard has been paid to the requirements of the cultivators. This is a question of importance, because every Provincial Government, according to the information that has been given to us, is going to take more stringent steps to collect the surplus foodgrains from the cultivators. On what principle will the amount to be left with the cultivators be calculated ? Will the cultivator be allowed only 12 ounces of food daily or will he be allowed at least 16 ounces ? To treat the producer on the same footing as the ordinary consumer will I think be a serious mistake. It would be antagonizing him and make him resort to all manner of tricks in order to defeat the policy of the Government. Indeed, he might be so far antagonized as to turn his attention from foodgrains to other crops. This is a serious matter and while I sympathize with Government in their efforts to meet the present situation as far as possible within the resources at their disposal they cannot use methods which might in the long run defeat their purpose and be injurious to the country.

Sir, as regards the efforts of the Delegation that has been sent to Washington to enlist the support of the Combined Food Board, I am sure that it has the good wishes of all of us in carrying to a successful issue the task that it has been entrusted with. Yesterday we learnt from the papers that the position was not very hopeful but the message that has been given by the President of the United States to Sir Ramaswami Mudaliar is a heartening one and we hope that with the combined assistance of the United States and Britain we shall succeed in getting the Combined Food Board in Washington to accede to the requests put forward by the Indian Food Delegation. If, however, these requests of ours are not complied with it it is easy to imagine how greatly the seriousness of the situation in the country will be increased. The rains that we had a few weeks ago might have improved the position slightly in the Punjab or in the western parts of the United Provinces but they have not made any serious difference, in my opinion, to the over-all situation. We must continue to use our best efforts to get at least 4 million tons of foodgrains from the Combined Food Board in Washington.

Now, Sir, while this year we are unfortunately faced with a situation in which we have to be dependent on the charity of outsiders, we hope that this will not normally be the case and that the present crisis will soon be tided over. I cordially agree with my Hon. friend Sir Jogendra Singh that we cannot expect generous assistance from outside year after year. We have to depend ultimately on our own resources and the present situation shows us that we have to depend on ourselves not merely for our current requirements but also for building up reserves against lean years. The Foodgrains Policy Committee recommended that we should import a million tons of foodgrains annually from outside and that we should in addition to this import for current purposes have a reserve of half a million tons. We have so far not been able to do that. We have not yet been able to obtain the quantity that we should have received in accordance with the recommendations of the Foodgrains Policy Committee. These facts show that we shall in future have to depend on our own efforts not merely to meet our current requirements but also to build up reserves which will be indispensable when we are threatened with a famine. This being so, Sir, the importance of the problem of increasing our internal food resources would make one naturally like to know what it is that has so far been done by Government in connection with this problem and what it is that it plans to do in future. The Famine Enquiry Commission devoted considerable attention to this matter. Its recommendations are of two kinds: short-terms and long-terms. Its short-term recommendations, roughly speaking, cover a period of 15 years, that is the Commission proposed that these recommendations should be carried out within the next 15 years. Questions relating to the reclamation of land and the extension of irrigation engaged the attention of the Commission,

"But it is clear" it said, "that the potential increase in production from these sources cannot fully meet future requirements and that strong emphasis must be placed on increased yields from land already under cultivation, as the foremost means of meeting these requirements. It has been estimated that rice yields can be increased by 30 per cent. namely, 5 per cent. by improved varieties, 20 per cent. by increased manuring and 5 per cent. by protection from pests and diseases. This has been described as a conservative estimate and it has been said that a 50 per cent. increase can be achieved without, difficulty, that is 10 per cent. by improved varieties and 40 per cent. manuring."

[Pandit Hirday Nath Kunzru]

Now how is this potentially to be translated into actuality ? The Commission said that it would be possible to increase production to the theoretical limit indicated by it if a large quantity of manure and artificial fertilizers was available. With regard to farm-yard manure alone it said that according to Dr. Burns about 30 million tons would be needed. Now, Sir, the Agriculture Secretary, Sir Phiroze Kharegat, stated in another place on the 1st of February that about 300,000 tons of compost had been prepared in this country. How small the quantity is compared with the needs of the country must be apparent to the House. Now, while I am disappointed that more has not been done in this field I am more concerned with the future than with the past and what I should like to know is not what schemes Government have in view for increasing the production of farm-yard manure and artificial fertilizers but what are the stages by which they hope to reach the maximum. Can they tell us how much they would be able to achieve, say, during the next five years and the next succeeding quinquennium ? Unless such a programme is laid down the achievements of the Food Department and the Agriculture Department will not savour of a well thought-out plan and we shall not know when we may expect our present difficulties to be substantially overcome. We can not be satisfied with the arrangements that are being made unless a definite programme is laid down for progressive increase in the production of cereals and of manure to the extent suggested by the Famine Inquiry Commission.

Another point to which the Commission directed the attention of Government was the need for growing vegetables, particularly tubers,- potatoes, sweet potatoes, and so on. It also asked that the Government should undertake the intensive cultivation of plantains. Some other fruits and vegetables might be added to this list. We were told this morning by Sir Jogendra Singh that the quantity of potatoes available to the country would be increased. But here again, we want more definite information. We want to know what the plan as prepared by the Government is and what is the period in which they hope to achieve a definite result. Unless such a programme is placed before us, any increase that may take place in respect either of the growth of vegetables or that of cereals cannot make us feel that adequate and systematic efforts are being made to achieve the goal placed before us, for the next 15 years, by the Famine Inquiry Commission.

There are several other recommendations of the Famine Inquiry Commission to which attention can be drawn at the present time, but there are two or three very important recommendations which I think I must refer to before I sit down. The Commission devoted a great deal of attention to the question of increasing foods known as protective, and it came to the conclusion that the quantity of protective foods could be substantially increased within a measurable distance of time only in the case of fish. We have been given some information on that subject, but, again, there is no scheme before us showing within what time what results might be expected to be achieved. The absence of this information is a cardinal defect of the programme prepared by the Food Department and the Agricultural Department, and I hope that, if the information at his disposal permits, my Hon. friend the Food Member will fill up this lacuna so that the efforts that are being made by Government may be more fully appreciated than they can be in the absence of this information.

The Commission attached a great deal of importance to milk, but it said that its supply could not be immediately increased to the extent desired. This does not mean that the question of increasing the milk supply should be ignored or should be tackled in a leisurely manner. Even if the milk supply will take time to increase, we have a right to ask that the quantity available should be properly distributed. This has been done in Bombay Has this been attempted in any of the other bigger cities of India ? Has this problem been approached even in New Delhi which is the seat of the Government of India ? If no attention has been paid to the question of the organisation of the milk supply in towns, I should like to know what is the reason for it. The Government of India to day are giving advice to the Provincial Governments on many matters in connection with the growing of more food, procurement, rationing, and so on ; why do they not give a

lead to the Provincial Governments in the matter of setting up an organisation for the distribution of the available milk in the larger towns? If the milk produced in the villages were consumed by the village people themselves, that would be a matter of considerable satisfaction to us. But it is a fact that the standard of living in villages has not risen to such an extent as to permit the villagers to use the milk that they have. They take it to the towns. We get it now, and we shall continue to get it. Is it not the duty of the Government to make every effort it can to organise its distribution so that it may reach the vulnerable classes whose case, my Hon. friend the Food Member claimed yesterday, was receiving the attention of the Government?

The last point that I should like to draw the attention of the Government to in this connection is the observation made by the Famine Enquiry Commission with regard to the importance of industrial development:

"Improvement in diet and a rise in the standard of living are very nearly equivalent objectives. In order to increase agricultural productions and improve the national diet, simultaneous industrial development to augment the total wealth of the country is essential."

There can be no question that India possesses great potentialities for industrial development which have as yet been utilised only to a small extent. Just as the Government should recognise their responsibility for providing food for all, so also they should recognise their responsibility for developing the economic resources of the country to the fullest extent. Now, Sir, when discussing the food question either yesterday in this House or previously in another place, hardly anything was said by the spokesman of the Government on this connected question of industrial development. It is well known to every member of the House, and it is even better known to the Government, that the question either of the production of food or its proper distribution cannot be properly tackled unless our economic resources are fully exploited. It is necessary, therefore, that when a food debate takes place in this House or in another place, we should be told what are the correlated efforts that are being made in other connected spheres in order to increase the resources of the country and raise the standard of living of the people. So long as no information is given us with regard to the question of industrialisation, so long as we are not told what are the 5 or 10 yearly plans that have been formed by Government for the development of industries and the economic resources of the country in general, then, in discussing the food question with reference to the activities of the Agriculture and Food Departments alone, we shall be dealing only with half the question that we have to tackle or even with less than that.

Sir, I have only one or two more brief remarks to make before I sit down. In view of the policy laid down by the Famine Enquiry Commission and the responsibility which it has laid on the Government for feeding the people, a responsibility which the Hon. the Food Member told us with some pride yesterday had been accepted by him, it is necessary that the poor man's food should be subsidised. The Food Member told us yesterday that this question was being considered by a Committee. We were told at least 15 months ago by Mr. Sen that this question was under the consideration of the Government. Have Government taken all these months to consider this question without arriving at any result or have they really taken it into consideration only during the last few weeks? I hope that my Hon. friend the Food Member will be able to tell us when this question came to be seriously tackled by Government.

THE HON. THE PRESIDENT: May I ask you, as regards this subsidy, where you will draw the line of demarcation?

THE HON. PANDIT HIRDAY NATH KUNZRU: When the question is fully considered, we shall know the limits within which it can be made. It is a question connected with the price of foodstuffs with which I was going to deal and the question of the price of foodstuffs is also connected with the desirability of giving a fair return to the grower.

THE HON. THE PRESIDENT: You do not have in view the question of free grain supply?

THE HON. PANDIT HIRDAY NATH KUNZRU: No, Sir. This is not what I have suggested. What I have referred to is the opening of subsidised shops on an adequate scale in order to enable the poor man to buy his food cheaper than a man with resources of his own can do in an urban area.

THE HON. MR. HOSSAIN IMAM: You had some kind of this in U.P. in some places.

THE HON. PANDIT HIRDAY NATH KUNZRU: We had it in the U. P. Government suffered a loss of 2 or 2½ crores. A part of this was borne by the Central Government.

THE HON. SIR JWALA PRASAD SRIVASTAVA: Cheap grain shops, I may say, are not the same thing as a subsidy for the poor.

THE HON. PANDIT HIRDAY NATH KUNZRU: Sir, the poor man will have to buy his food somewhere. Subsidy may take various forms. I admit. Whether you give a certain amount to the cultivator in order to reduce the price or open cheap grain shops in order to supply the poor man with the food that he needs or adopt any other method of cheapening the cost of the poor man's food is immaterial so long as we achieve the agreed purpose of enabling the poor man to get the food that he needs within the resources available to him.

Sir, one other point that I want to refer to is the question of the price of the foodgrains. This is a very important question. The Hon. the Food Member told us yesterday that a Committee had been appointed to consider the stabilisation of the prices of foodstuffs. This is a very important matter and I hope that the Committee will consider what are the levels at which the prices should be fixed so that they may be remunerative to the grower. The Famine Enquiry Commission has made certain recommendations on this question. I hope that the Committee that has been appointed by Government will consider the matter further in the light of present day facts and arrive at a conclusion which would remove the complaint coming from many parts of the country that the prices now fixed by Government do not give an adequate return to the grower. Government are in a difficult position. They have, on the one hand to take steps to grow more food and on the other hand to see that the food that is grown is within the reach of the consumer. I do not envy them. But they have to hold the balance even and adopt methods which would enable us to expect a continuous increase in the supply of the foodgrains needed by us at a reasonable price.

Just one more remark before I sit down, Sir. I have already said that Government have reduced the adult ration to 12 oz. a day which is extremely inadequate for all workers, even for our domestic servants. If this ration remains in force for a year we may be certain that the health of the whole nation will suffer, and that no class of the population will suffer more than children above the age of 8. It has often been assumed that children between the ages of 8 and 12 need only half the quantity of food required by an adult. But I believe, Sir, that this is a fallacy. In October and November last I went to Bengal, Orissa and Madras and everywhere I was asked to plead for increase in the ration of children between these ages. Everywhere the people pleaded that children between these ages should be allowed the full ration of an adult. I bring this point with all the earnestness that I can command to the notice of the Government and I hope that they will raise the ration of children between 8 and 12 from 6 oz. to 12 oz.

Sir, I am grateful to you for the time that you have allowed me to place my views before the House and I hope that the Hon. the Food Member, when he gets up to speak, will at least try to deal with some of the points I have raised, particularly in connection with the recommendations of the Famine Enquiry Commission to which he repeatedly drew our attention yesterday.

THE HON. MR. V. V. KALIKAR (Central Provinces: General): Sir, at the outset I must assure my Hon. friend the Food Member that I do not stand here to throw brickbats against him, but if he succeeds in averting the famine in Madras and Bombay and if he succeeds in saving the lives of his countrymen from this catastrophe I will certainly shower bouquets on him.

Sir, we have debated so many times the food problem and the food administration in this House and in the other House. The Government on their part have appointed Committees and Commissions and they made recommendations. But I submit, Sir, that a hungry man does not care for the debates or for the recommendations

of Committees and Commissions but he wants food, and if any Government—whether responsible or irresponsible—if any Government is not in a position to give food, then the hungry man says that his needs are not satisfied by this Government or that Government and therefore he would not give credit to any Government. Sir, I do not know what will happen afterwards. I know that if certain measures are taken by a National Government in those measures that Government will have the support of the public. But, Sir, I am of opinion that the food problem is of such importance that the present Government, however irresponsible it may be, must deal with it squarely and fairly. Sir, they have got their basic plan ; they have got their schemes of distribution. They have got their schemes of procurement. They have got their schemes of rationing and price control. If one applies one's mind and finds out whether they have succeeded in all these schemes, and succeeded efficiently in the way of giving sufficient food to the people of India, one has to come to the conclusion that they have not succeeded in those schemes. The Provincial Governments may not have followed your schemes or there may be corruption in the Department or you may not have been able to get food from outside ; but the fact remains that in spite of your efforts to bring these schemes into operation you have not been able to satisfy the hunger of the hungry man.

Sir, it was stated in the other House by the Secretary of the Food Department that his basic plan was not successful because there is no reliable agricultural statistics. If there are no reliable agricultural statistics, why should not the Government of India enforce Provincial Governments to collect reliable agricultural statistics if they really want to carry out their schemes? The other day I read in the press that the Under Secretary of State for India stated in the House of Commons that the loss in Bombay and Madras on account of the vagaries of nature would come to about 400,000 tons in Madras and 500,000 in Bombay, a total of 900,000 tons. But here is a statement made by a responsible officer of Madras, Sir S. V. Ramamurthi, who says that Madras needs one million tons of food. This is exactly what he stated :

" If the present scale of daily rations, 1 lb. of cereals per head, was to be maintained, about a million tons of cereals—rice, wheat and millet- had to be imported into the province. If Madras was not able to obtain this quantity, the scale of rations would have to be reduced. But it could not be reduced in the case of agricultural producers, because such a step would give no incentive to them to grow more food. If the ration in respect of non-producers was cut, this would produce economic disturbance and suffering."

That shows that His Majesty's Government is not correctly informed about the situation in Madras and Bombay.

Sir, my friend has put forward very ambitious claims in his speech yesterday. He stated that he would not let one man starve in this country. He stated also that he would give a balanced diet ; and on this point of balanced diet I want to put in a word. I am not giving you the views of non-officials. I am giving you the views of experts in this matter, your own experts. I may remind my friend that if he refers to the Jail Manual of my province or if he refers to the old Famine Relief Code, he would find that 1 lb. of ration has been fixed for convicts in jail and 1 lb. ration was fixed long ago in the old days when famine used to occur in our province. He wants to reduce that 1 lb. ration. My question is a straight question, whether he wants to treat us worse than criminals in jail? He has already cut down our ration and we are now getting 12 ounces per day. We were getting about 18 ounces. Now we are getting in Delhi 12 ounces. I understand he has issued orders to all the provinces to cut the ration. That means we would get less, and on that ration he wants to maintain the health of the people of India.

Now, Sir, I want to bring to his notice the fact that his very experts have stated that for a grown up man something like between 2,600 and 2,800 calories of food are necessary to keep him fit. Another expert of the Government of India, Mr. Kirby, has stated that 1 lb. of cereal yields an average of 1,600 calories. There is already a deficit of 1,000 calories and with this further cut in the ration I do not know how, by what magic wand, he is going to maintain the health of the population of India.

Sir, I do not want to bring to his notice—he knows about it—what a balanced diet is but I may tell him that his own experts say that for a balanced diet 18 ounce

[Mr. V. V. Kalikar]

of cereals, 3 ounces of pulses, 2 ounces of sugar, 6 ounces of vegetables, 2 ounces of fruits, etc., are required. This is what his experts say but our friend the Food Member says that—leaving aside milk, fruits and other things—even in cereals you won't get 18 ounces but you will get 12.

Sir, that shows how far the Government of India is serious to maintain the health of the people of India and how far the Govt. of India is serious about avoiding troubles in India which are likely to happen if no real steps are taken by Government to supply sufficient food.

Sir, my friend told us yesterday that he will see that the producers get remunerative prices. Well, I do not know whether he knows the conditions obtaining in villages. He is a big industrialist I know. I think also he is a big zamindar too and he is expected to know the conditions obtaining in villages.

THE HON. SIR DAVID DEVADOSS: His agents may know; not he.

THE HON. MR. V. V. KALIKAR: Well, I think, that a skilful and a serious master is entitled to know everything.

THE HON. SIR JWALA PRASAD SRIVASTAVA: Hear, hear.

THE HON. MR. V. V. KALIKAR: Well, Sir, I do not know whether he knows, but he must know.

THE HON. SIR JWALA PRASAD SRIVASTAVA: I do know.

THE HON. MR. V. V. KALIKAR: If he knows, Sir, then I will just read a sentence or two from the speech of his Secretary made in the other House and I will ask him whether these are remunerative prices. He says:—

"In order to protect the producers against an uneconomic fall in prices Government have given an undertaking to purchase all wheat offered at Rs. 7-8-0, *bajra* at 5-4-0 and *jowar* at 5-4-0 per maund."

That means that the Govt. of India is going to purchase wheat at the rate of Rs. 7/8 per maund. If that statement is correct I challenge anybody, Sir, to prove on the floor of this House if this price is remunerative, if this price will give incentive to a farmer to produce more crop and if this price will help the farmer to produce more crop and give more food to the people of India. A pair of bullocks which I used to purchase six years ago at the rate of Rs. 200 is not available in the market even for Rs. 750 now.

BRIGADIER THE HON. SIR HISSAMUDDIN BAHADUR: The price of bullock is between Rs. 500 and Rs. 600 now-a-days.

THE HON. MR. V. V. KALIKAR: I am speaking not of the quality that is available in your part of the country. I am speaking of the quality that is available in my province. What about fodder? What about the daily wages? We used to engage agricultural servants at the rate of between Rs. 12 and Rs. 15 in pre-war times. Now we have to give them between Rs. 35 and Rs. 40.

BRIGADIER THE HON. SIR HISSAMUDDIN BAHADUR: Yes, quite true. That is what we are suffering from.

THE HON. MR. V. V. KALIKAR: This price which the Secretary has stated in the other House may be double but the cost of agricultural operation has increased four times over the prewar rate, and if you stick to it I assure you that the Grow More Food campaign will not be successful and you would not get sufficient food in this country which will help you not to import food from abroad. You must find out methods to grow food sufficient for your people in India and this is not the method by which you will be able to succeed in that matter.

Sir, the Hon. the Food Member has talked about schemes for distribution. We have had enough of sufferings on that account and the less said about them the better. Let us take the case of one district and another adjoining it. If two districts adjoin-

each other and if one has to take food from one district to another district at a distance of half a mile he cannot do so. He has to go to the district office and wait there for 15 days or he has to pay a bribe to the policeman or watchman.

THE HON. SIR DAVID DEVADOSS: And smuggle it.

THE HON. MR. V. V. KALIKAR: Personally, Sir, I have come to the conclusion that all these controls must go. The war is over. The emergency is over and all these controls must go but if you cannot do that then at least implement fully the recommendations of the Woodhead Committee and the Gregory Committee and then you can tell us that you are carrying out the schemes in the interests of the people of India. You are not in a position to get food from abroad. Your Secretary goes there and doors are banged against him—of course, today's news is somwhat consoling—if the doors are banged against him and if you cannot get anything let the private trade channels work, but it is no use telling us that we are starting such and such department. We have already spent a lot of taxpayer's money over the working of this Department and still the sufferings are there. If really he wants to do something in the interests of the people of India, if he really wants to avert famine in Madras and Bombay, he should see that he gets sufficient stocks from outside; he should see that he does not alienate the sympathies of the producers of food; and if he succeeds in doing that, then and then only will he be in a position to avert famine in those two provinces. Otherwise I see absolutely no hope. Let me make one suggestion to him. I understand that there are many prisoners in India. Italians, Germans and Japanese. He must bring pressure to bear on the authorities concerned and see that these prisoners are repatriated. Whatever my personal opinion about it may be, if really he wants to carry on the administration of the Department efficiently in the interests of the people of India so that their hunger is satisfied, then, he must implement the recommendations of the Gregory Committee. So far as my experience goes, this Government has not been able to do it during the last three years, and I would certainly, therefore, urge that some of these controls must be removed.

*THE HON. KHAN BAHADUR KARAMAT ALI (Assam: Muhammadan): Sir the Hon. the Food Member, while making his statement yesterday, said that the Government of India had taken the responsibility of providing everybody with adequate and balanced food. The two words "adequate" and "balanced" may be noted. Sir, this statement surely sounds very happy, but the question is, whether this responsibility is being discharged by the Food Department in a responsible way. He thinks that he has done very well so far, but if you take the trouble of consulting public opinion as to whether he has discharged this responsibility in the way he should have done, the opinion will be that this responsibility has been discharged in the most irresponsible way.

The Hon. Member talked of adequate and balanced food. In my own province of Assam, the total population is about 12 million. Now, the sugar quota for this province is only 19,000 tons a year. This means that less than one chhatak has been allotted per capita. May I ask the Hon. the Food Member whether less than one chhatak of sugar per capita per annum is sufficient and can be called adequate and balanced food? This quota, I understand, is again going to be reduced. This quota was perhaps fixed on the last census figures. But the Hon. the Food Member should remember that the population of Assam increased by leaps and bounds during the war, and therefore the quota should also have been increased according to the increase in population. This was not done, and the result is that our people are going practically without sugar. Again, the quota that has been allotted to us is distributed among tea plantations and private individuals. So, Sir, as far as sugar is concerned, it is neither adequate nor balanced so far as my province of Assam is concerned.

Then, as regards atta, in Assam there is a very large population coming from up country, especially from the Punjab. These people depend mainly upon atta. But as Assam is a rice-eating province, a very nominal quota was allotted for Assam.

*Not corrected by the Hon. Member.

[Khan Bahadur Karamat Ali]

The result was that these up-country people, especially the Punjabis, have to go without atta. And now that quota has also been reduced. So I submit that in the case of atta also the Province of Assam is not getting adequate or balanced food.

Then comes the question of mustard oil. That is another problem in Assam. There are two districts in Assam—Kachar and Sylhet—where neither mustard seed is grown, nor are there any mills to produce mustard oil. These two districts in the year 1945 went without mustard oil for about nine months. The Government of Assam approached the Government of India, and the Government of India said that owing to transport difficulties no mustard oil could be sent to Assam. This was the responsibility taken up by the Government of India, and this was the way in which that responsibility was discharged.

I therefore submit that if the Government of India want to take up the responsibility of providing food to the different provinces of India, they should discharge the responsibility in a responsible way, and if they cannot discharge it, let the provinces themselves take it up, and let not the India Government interfere, and, as my Hon. friends have already said, let all controls be abolished and let normal trade go on. If that is done, perhaps there will be some relief for the people. The Hon. the Food Member was praising himself all the time for the success he has achieved in discharging his responsibility. I can tell the Hon. Members of this House that in New Delhi, the capital of India, although the controlled price of gram is Rs. 8-8-0, it is being sold in the black market, before the very eyes of the Food Member, at Rs. 20 or higher. If this is the responsibility with which he is discharging the duties which he has taken up, and if this is the way in which he is discharging his responsibilities, the sooner he gets out of the responsibility the better. I therefore repeat, Sir, that either the responsibility which the Government of India has taken up should be discharged in a responsible way, or the Government of India should not interfere with the activities of the provinces.

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS (East Bengal: Non-Muhammadan): Sir, I appreciate very much the statement of the Hon. the Food Member, especially the assurance he has given us as to the proposed increase of rations for the labour class. I believe the entire House will agree with me when I say that menial servants, whether serving in private houses or in Government offices, should also be taken under the category of labour class because, Sir, they have to perform more or less the same duties or undergo the same amount of labour for the duties assigned to them. I wish the Hon. the Food Member will confirm this view in his reply.

Sir, I would like to be enlightened as to the steps, if any, the Hon. the Food Member has taken to counteract the effects of the panic created by the official statements in the Assembly regarding the threatened famine in the different parts of the country. Sir, in Bengal and in other Provinces, in rural and other areas where rationing has not been introduced, the prices of foodgrains have gone up. I would like to know whether the Government will be pleased to state the action they are going to take in the non-rationed areas for the protection of the consumers of those areas against the high prices caused by panic or scarcity, solely due to the official statements made in the Assembly about the threatened famine. Sir, our esteemed leader, the Hon. Pandit Kunzru has stressed very much on the need for subsidising the food of the poor. Sir, 90 per cent. of the population in India are poor because the middle class people, who are not drawing decent salaries, are the worst sufferers. They should come under the category of poor people. I am suggesting how to subsidise all men's food. There is such a difference between the price which Government pay through their purchasing agency to the grower of food and the price fixed by the Government for the retail sale of this food through ration shops. Sir, Government should effect economy and retrenchment in the handling of these foodgrains. If necessary Government should pass a measure to give something to the poor cultivator or reduce their cost in such a way so that all people may get their food at reasonable prices.

Sir, before I conclude, I would like to deal with the maladministration of the distribution of foodgrains as I saw it in our territory. Sir, there are two ways of controlling food supply—(1) procurement and (2) distribution. I shall not say anything about the procurement of foodgrains which is being done by Government very efficiently with success. But I cannot help telling you something about the maladministration of the distribution of these foodgrains as I found it in our territory. Sir, I hail from Dacca city, which is the second city in Bengal in population, consisting of 57 per cent. of Hindus and 43 per cent. of Muhammadans. Sir, when rationing of the city was decided upon, the Government could not find any man suitable to take up the office of Rationing Officer. Against public opinion the Government imported a Muhammadan from the Punjab, an ex-military man, who had got no experience of the people and the place. The first exploit he did on his arrival was to introduce the communal ratio in the selection of persons for appointment as stockists. When he found there were no men available for taking up the post of stockists in his community, he distributed the posts to some Punjabi Muhammadans with exception of one who were dealing in hides, who did not even hold a licence for the storage of foodgrains and who had no experience in the trade for generations. He appointed a stockist of U.P. who had no experience in foodgrains, who was a dealer in mustard oil, and he appointed one of his friends, who had no stake in that city and who had no experience of foodgrains. He was more a billiard player. When an appeal was referred against his decision by a disappointed candidate, he realised his shortcomings and he had to satisfy him by appointing him at the next opportunity, when one of the hide merchants had to resign for his inefficiency. This is what we enjoy under this benign Government! (*An Hon. Member* : "When was it done ?") This was done when the rationing of Dacca was started. He took advantage of a new Magistrate, Mr. ..... The former Magistrate, Mr. Bell, was on leave, in spite of agitation from the Bar, the People's Association, the Landholders Association and even from the Muslim community. These hide merchants were not looked upon with good grace even by the local Muhammadans of the city. Then he came to his senses. The Food Controller had to go to Dacca for enquiry. I take this opportunity of bringing all this to the notice of the House. I do not think the Hon. the Food Member will raise the question of constitutional impropriety for making mention of these incidents relating to a province, because I know that the Central Food Department has got control over the Provincial Departments in this matter.

THE HON. MR. SURPUT SINGH : (West Bengal : Non-Muhammadan) : Sir, I have listened with great interest to the statement on our food situation. But the statement has impressed me as sketchy and thus incoherent, apologetic yet boastful, without any substantial achievements—the whole trend thereof being summed up as being a story of "Too little and too late". The Food Member's past forecasts have evidently belied him, while his future hopes seem to be quite mystifying to us. Sir, of the many problems of life none is perhaps more important than our food. But when I reflect on the food situation in the country, I cannot but conclude that power without responsibility has demoralised our food officials and has made their entire administration corrupt and dishonest. In fact, unbridled exercise of power in such an essential matter as food without the slightest responsibility to the people has been the fundamental cause of our present troubles. Again, food is so very vital to one's existence that one cannot account for those troubles only by the ignorance or the perversity of the people. I cannot, therefore, but welcome the considered attitude of Mahatma Gandhi in refusing to co-operate with the present irresponsible and unresponsive Government in their food policy and programme, as that would have served no useful purpose, when wholesale bungling of the food situation has already been made through the combined efforts of our brown bureaucrats and white imperialists both of whom have been driving a coach and four over the national wishes and sentiments.

Sir, from some interested quarters there has recently come up a fervent appeal that food should be dissociated from politics. But food can now hardly be kept aside from politics, when politics has already been mixed up with our food problems.

[Mr. Surput Singh]

Our Government ever knew well that India was never self-sufficient as regards her food production. According to the telling statistics given by a former food chief, Sir Aziz-ul-Huque, to the Legislative Assembly in 1943, I quote his words :—

> Rice production in India from 1911-12 to 1942-43 has remained nearly constant between the figures of 25 million tons to 27 million tons. As compared with three pre-war years, the combined acreage for our basic foodgrains, rice and wheat, is almost constant, *viz.*, 108, 109, 108, 108, 107·5 and 109 million acres as from 1937-38 to 1942-43 respectively. In the meantime population has increased from about 311 million in 1910-11 to 388 million in 1941 with a corresponding increase of the rice-eating population. The main foodgrains production of India has also remained practically constant between 50 million and 51 million tons with small variations from year to year".

According to some recent authorities who have published their researches, the total production comes up to 60 million tons, which with another 14 million tons make us self-sufficient. But still when this Government brought huge armies, two to three millions, and stationed them within the country, they did not make the least endeavour either to bring in food from outside or to increase the existing production. The whole brunt of feeding the armies was thus thrown upon the country's resources. There was already in the country a population of 400 millions of which 30 per cent. did not get enough to eat ; approximately 3 out of every 10 suffered from under nutrition. How limited those resources were, an interesting table of statistics, compiled by Mr. A. N. Krishnan Nair and published in *Commerce* of July 1943 will show that from a yield of 1,963 lb. per acre in the first five years of the present century rice production has fallen to 785 lb. per acre in 1935—1940. Moreover, the diminution in the productive capacity had gone on fairly progressively over the intervening quinquenniums. The yield of wheat has also showed a slight fall during the period. Then, Sir, we must not forget in this connection that the daily ration of a British or Allied soldier was nearly three times that of a civilian. Besides most of the protective foods like milk, green vegetables, fruits and the like, which could have made good the main food deficiency, were allowed to be drained away from the civilian use by the array of military contractors. In this way, Sir, during the years of the war when imports of foodgrains to the country were almost nil (inasmuch as even in normal years India had to replenish her food stocks with imports from Burma, Siam and some countries in the Far East) India had to feed not only her steadily growing population but also the huge armies inflicted upon her. Again, not satisfied with meeting those heavy demands for the military, the United Kingdom Commercial Corporation was allowed at the instance of the British Ministry to send abroad huge consignments of our foodgrains to the Middle East in order to fulfil Britain's political commitments there in total disregard of the country's vital needs. Sir, on the top of this, large dumps of foodgrains were built up at numerous strategic places for the use of the fighting forces. Most of those dumps were either plundered by the invading armies or were scorched in pursuance of the denial policy. Then, Sir, after the tragic fall of Malaya in 1942, Ceylon was asked to grow rubber intensively to remove the rubber deficiency caused by the loss of Malaya and to abandon her rice cultivation being promised in return that her rice requirements would be met from India, such supply still being continued. Our Food Secretary, when confronted with such and similar exports in view of the dismal existing food situation, would promptly explain such depletions with the plea of replacement. Exports of foodgrains have gone on despite the pious protestations of the Hon. Food Member—as will be borne out by the Government publications and Customs figures. Such were then, Sir, some of the causes which have directly contributed to the deterioration of our food situation in the country rendering our peoples distracted and half-ruined. Then, Sir, I shall recount a few of the indirect causes which have led to the same unhappy result. ***First*** is the total apathy of the Government to increase the food stock of the country in face of the steadily mounting growth of the population despite timely warnings from authoritative quarters. *Next* is the Government's utter indifference in the matter of encouraging the people in the right way to bring under the cultivation all culturable waste lands in the country, which, according to an eminent authority must be about 100 million acres. ***Thirdly***, the inexplicable attitude of the Govern-

ment in affording no incentive whatsoever to the agriculturists by bringing within their reach healthy seeds, cheap fertilisers, simple implements, cheap credit, better marketing facilities and necessary information and knowledge. *Fourthly*, absence of irrigation facilities through reservoirs, wells, dams, embankments, canals, etc., and failure to reclaim such waterways as can help irrigation. And lastly, the wanton slaughter permitted by the Government of our cattle-stock so essential for agricultural operations. All those acts of commission and omission on the part of our Government have combined to make India, principally an agricultural country, remain so woefully behind the world in agricultural progress and uplift. These are some telling facts. India grows from 750 to 900 lbs. of rice per acre compared with America's 1,500 lbs., Egypt's 2,000 lbs., Japan's 2,300 lbs. and Italy's 3,000 lbs. and Spain's 5,000 lbs. Wheat yields per acre are : India 650 lbs., Australia 710 lbs., Argentina 780 lbs., U.S.A. 850 lbs., Canada 975 lbs. and Europe 1,150 lbs. Much the same story can be told of every other crop. Sir, by the way who is responsible for this poor crop output in India? The Government may say the people of India, but I say it is not correct. The British Government is wholly responsible. It is really shameful that after the British Government's rule in India for over two centuries India continues to be in the same primitive or even worse condition. The Government should bring the Agricultural Department to adopt the same methods as have been done in U.K. which some years ago produced only 30 per cent. of her needs and now is producing 60 per cent. by the improved methods. Sir, by way of tinkering with the distressing situation brought about by the Government's want of foresight, neglect and apathy, the Grow More Food campaign was hastily launched and large subsidies were thrown away here, there and everywhere, without any plan or programme beforehand, in order to effect any improvement in the sagging situation. But the enthusiastic promoters forgot that the only solution of the situation lay in assuring abundant supplies for all, which under existing conditions, was feasible only by increasing the production in the country itself. How the campaign has belied the expectations of the people will be evident from what Sir Manilal Nanavati said about it at the Sixth Conference of the Indian Society of Agricultural Economists held in Benares in December, 1945. He said :—

" Grow More Food campaign is practically a failure and was bound to be so because no attention was paid to the parity between the prices of non-food crops and those of food crops ".

Then, Sir, I beg to read a few lines from page 4 of the Famine Enquiry Commission Report of which Sir John Woodhead was the Chairman further to illustrate my point. The passages are :—

" The results achieved by this campaign has not been spectacular ".

" The lesson to be drawn from the experience of the Grow More Food campaign stands out quite clearly. It is this. A large increase in agricultural production in India by the extension of the area of cultivated land and an improvement in the yield per acre of crops through irrigation and other measures, will not be achieved without intensive and sustained effort on the part of both Government and the people. There is, therefore, need for laying down a clear agricultural policy and providing administrative machinery for its execution ".

Then, Sir, the policy underlying the recommendations of the Foodgrains Policy Committee contain no recommendation about production targets. Instead they call for unlimited production drive. To my mind, Sir, the campaign has become another name for wilful waste of money and encouragement of corruption with practically nothing doing. The austerity diets accepted by the already well-fed and well-nourished by way of a gesture could have been avoided if only that campaign had proved a success.

Sir, in my judgment if there had existed complete co-operation and co-ordination between the Government and the people from the very beginning with an all-party organisation to create confidence and to lead to effective action by genuine intellectual planning, such as is now sought for when the bungling is past cure, the situation would not have become so hopeless. But it is now too late. Only political power vested in the hands of people's representatives through an all-party Govt. can only take us through the rigours of the situation. Over-population and under-development of natural resources and their inadequate realisation are the main factors which must be borne in mind for an effective solution of the problem that faces us.

[Mr. Surput Singh]

Sir, the food rationing system is unhappily based upon no intelligent plan——

THE HON. THE PRESIDENT: Please bring your remarks to a close now.

THE HON. MR. SURPUT SINGH: On no knowledge of the nutritive values of foods or the real needs of the different peoples. Next, whether control will go or not in the future scheme of things must have to be decided by a representative committee of all parties and interests concerned. But as it is, the present control policy and system have become insufferable. Control has impeded the normal flow of trade and commerce in the country. Control has kept away multitudes of people from their hereditary avocations in life. Control has bred (*i*) inefficiency; (*ii*) corruption; (*iii*) jobbery; (*iv*) obtuseness; (*v*) exclusiveness and (*vi*) arrogance.

Sir, I may refer to what once Sir Ziauddin Ahmed publicly declared in the other House that due to control food traders had paid in one area known to him Rs. 6 crores in bribes.

Sir, the Food-Begging Mission, as I should call it, is just a creation of our Govt. to conceal a lot of their past sins. Some food may come after those wailings abroad, but at what national cost and humiliation has only to be realised and then, as Sirdar Patel has said, there is no certainty that all that is given will be available to the hungry millions in the long run. The current unreasonable prices prevailing for the rationed articles really give us absolutely no hope.

THE HON. THE PRESIDENT: You have exceeded your time. Will you please stop?

THE HON. MR. SURPUT SINGH: I will finish in two minutes.

THE HON. THE PRESIDENT: I cannot give you any more time.

The Council then adjourned for Lunch till Three of the Clock.

The Council re-assembled after Lunch at Three of the Clock, the Hon. the President in the Chair.

THE HON. MR. G. S. MOTILAL (Bombay: Non-Muhammadan): Sir, I should like, with the permission of the House and of yourself, to move an amendment to the Motion which was tabled in this House yesterday.

THE HON. THE PRESIDENT: Has a copy of the amendment been supplied to the Hon. the Leader of the House?

THE HON. MR. G. S. MOTILAL: Yes, Sir. The amendment reads thus:—

"That at the end of the Motion the following be added, namely:—

'and after having considered the situation in all its aspects, this House is of the opinion that an early setting up of a National Government at the Centre composed of popular representatives of the Congress, the Muslim League and other important interests will greatly help in the solution of the food situation.'"

THE HON. THE PRESIDENT: Yes. I think it represents generally the views of the members, and I will allow the Honourable Member to move it.

THE HON. MR. G. S. MOTILAL: Yes, that is so. We have put our heads together, and after discussions, this is the amendment which, as far as I gather, is acceptable to the members of the House.

Sir, the situation, so far as the deficit in the food supply that has occurred is concerned, is too grave for minor issues to interfere, for, if any one suffers, it will be the people of this country. Every section of this House has got to do its duty to the people of this country. The Government as well as the people both owe a duty, and it is a very sacred duty, and on an occasion like this, with all our differences, we have to do our part, and we wish that the Government also do their part. Mistakes may have been made in the past, but this is not the time to dilate or harp upon them or

even to refer to those mistakes, unless it is for the purpose of rectifying those mistakes. Unfortunately this country, which has had sufficient foodstuffs to eat with the imports which it has been receiving in recent years, is today placed in a position where it is falling short of one-tenth of the grain required and we are faced with a very serious situation which everybody in the country is anxious to do everything he can to help to avert. We have got to see that every pressure that we are capable of is put upon the other Governments. I am glad that this morning we read that President Truman has said that the United States of America is going to help this country, and that he will do more than he has promised. We do not know definitely what promise has been made by the United States, but we want the Government not to be complacent in this matter. We have already paid a very heavy toll, some three years ago, in the Bengal famine, and every pressure that we can bring to bear should be put and they should be told the bare facts of the situation. During the war India denuded herself of a great deal of the foodstuffs which used to be stored in the country by the people. Ordinarily, the people of India try to lay by some store of grain to last at least four or six months, if not more. But the demands of war were so pressing, and the Government thought so much about the demands of war, that they pressed the people and got as much as they could out of them.

In this state of affairs, when there is scarcity, when there is panic, when there are reports going round that there will be a serious shortage of food, people naturally begin to think whether they should part with everything that they have got, and to ask who will take care of them when they are in difficulties. For that, what is required is a Government which enjoys the confidence of the people. I have known cases where not ignorant persons, not persons of average education and intelligence, but men who are well fitted to occupy the highest positions in the Government of this country, suspect that all that the Government says and all their reports about exports and other things are not based on correct information and they cannot be trusted very much. Such a situation will be met if we have a representative Government in this country which will enjoy the confidence of all sections.

I say, Sir, that we shall be very happy to have the co-operation of every important interest, including the Muslim League. I should not be understood to say that there will be no difficulties. There may be difficulties, but the patriotism and the sincerity of our people are compelling and will compel all sections to sink their differences and work together in the interests of the country.

Sir, in spite of the measures which the Government have taken, I know there is a certain amount of black marketing still continuing in the cities and in various other parts of the country. These black marketeers can only be the people who resort to hoarding. Hoarders and black marketeers should be ruthlessly stamped out and put down. But when you have a national Government, they will realise that they can be put down much more ruthlessly than in the past, and it will help in bringing out stores from those anti-social elements. There should be no quarter shown to these anti-social elements. If not only the Government but every section of the people, those who know and who offer their services in the black market, all do their part, the black-marketing should be a thing of the past. Unfortunately, a certain amount of food is also wasted in various ways. Particularly on ceremonial occasions such as marriages and others we should cut down the requirements to the absolute minimum. There should be no parties now. Not more than 5 persons should be fed on such occasions. If I had my way, I say that there should be no parties at all, for when a country is faced with such distress, who can at all contemplate with equanimity the over-feeding of a few and the starvation of the many ? It is due to these starving millions that this should be voluntarily done. If it is not done voluntarily, then Government ought to provide that there shall be no more parties, and no more feeding. Can we not forego this luxury for a few months or for a year ? Is it asking too much ? Let Government take the initiative. A National Government would be best suited to take the initiative in a matter like this. We seek the co-operation of all elements. We want Government also to give their utmost co-operation to the people in helping those who are likely to suffer, in pooling together all the resources that are at the command, both of the people and the Government. It is only then that the measures which the people and the Government have at heart

[Mr. G. S. Motilal]

can be successful. Suggestions have been made that all cultivable land should be brought under the plough. There will be Provincial Governments coming in very soon. On this question there can be no two opinions. Of course it is a question which will take time. We have not been very mindful of this difficulty in the past. Otherwise we should not have been faced with this situation. We have got to prepare beforehand. As the proverb runs, you cannot dig a well when the house has already caught fire. You have to dig the well before that. If that had been done, the situation would have been very different today. However, it is not merely the tiding over of the present situation. If a situation like this arose again, then we must be thoroughly prepared to meet the position. It is those measures which are necessary.

I was not here yesterday but from what I have heard it seems that some of the Hon. Members think that the removal of the controls and removal of rationing will bring food into the markets. We have given our very serious consideration to this problem. My experience and that of those who have really moved the Government to take the initiative in this matter has been that the controls are necessary. You have anti-social elements. You cannot ignore them. If you decontrol, they will hoard the foodstuffs. Then will be brought out the law of demand and supply. If you decontrol, how will you get the hoarded goods from them ? It is necessary, therefore, that the controls should continue.

THE HON. SIR DAVID DEVADOSS : What about corruption ?

THE HON. MR. G. S. MOTILAL : Certainly corruption should be put down and let us help that way. Wherever we find corruption, let us drive it out. Let us not be content with saying that control has brought about corruption. Rationing is absolutely necessary. If you do not keep up rationing, the situation will go out of hand and then we will repent that a measure like rationing, which has been so successful, has been given up. I know that at any rate in my province it has been successful and this has been due largely to the help which the people have been giving to make it a success. Therefore, if we come across any instance of corruption, let us see that this Government also takes steps against it and we also take the initiative in it. I do not wish to take much more of the time of the House. With these words I move my amendment.

THE HON. MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan) : Sir, I regret that I was not here when my Hon. colleague Raja Govindlal Motilal moved his amendment. Sir, before I commence my remarks on the Motion and the amendments I should like to have a little indulgence to have a few digressions on subjects which are not strictly within the bounds of the Resolution although they are germane to it. I refer first of all, Sir, to the fact that the first volume of the Report of the Famine Enquiry Commission was placed in the hands of the Government of India on 10th April 1945 and the second volume on the 1st August 1945. Such a long time has elapsed without any action being taken on a matter that was urgent. We had asked for an inquiry in order not only to find out who was responsible for the Bengal famine, but also for instruction in the methods which should be adopted to face a situation of that kind. Government have not circulated that important Report even to the Leaders of Parties and members of the Food Committee. We have not so far learnt what has been the Government's decisions thereon. This shows how scant respect has been paid to a non-Royal Commission's Report. You will remember that when we were discussing this subject in 1943 I had urged that a Royal Commission should be formed in order that it may be in a position to give judgment on the high personages who were concerned. I have no time to deal with that Report in detail in the manner which it deserves ; but I do find that it has scope for improvements. It has not made any direct remarks on the administration of the Food Department at the Centre during the critical period—10th February 1943 right up to 6th May 1943—the crucial period when there was no Member in charge of Food and was held by the head of administration. Sir, I will not spend my time in dealing with this Report. I hope, however, that the Government will give us a day to discuss the subject which requires further deep consideration. It would be a very unkind cut

on the part of the Government to ignore that Report in the manner in which they have been ignoring it so far.

Sir, the light-hearted manner and the complacent attitude which the Hon. the Food Member took when he was delivering his speech on this subject has been commented upon by other colleagues of mine, and especially by Pandit Hirday Nath Kunzru. I shall not therefore stress much on it, but I would like to say that if this attitude had been shown to outsiders, to the United Nations Food Council, I am very much afraid they would have got the impression that there was no famine, that the situation in India was not at all as serious as it has been painted outside. The manner, the almost dramatic manner, in which the Hon. Member stated that on the 20th January all of a sudden he got a revelation, or perhaps in the night he had a dream, that a famine is going to stare us——

THE HON. SIR JWALA PRASAD SRIVASTAVA : I never said that.

THE HON. MR. HOSSAIN IMAM : You stated in so many words that on the 20th January you were the first person to diagnose that a famine would come——

THE HON. SIR JWALA PRASAD SRIVASTAVA : I will repeat what I said in my reply.

THE HON. MR. HOSSAIN IMAM : I thought that we were in the old regime and Pharaoh had his dream, and instead of calling Joseph to interpret it, we had the duality in the Hon. Member himself. His "J" stands for Joseph and "P" for Pharaoh. "J. P." is a combination of Joseph and Pharaoh.

Sir, as far as the political background of this question is concerned, I was rather pained when I found that the Congress and its High Command was not willing to co-operate with the present Government in ameliorating the difficulties of the situation. But I was surprised when the Hon. the Food Member expressed his gratitude to the Congress Party. I thought perhaps he felt like "God save me from my friends". Perhaps he did not want to have their co-operation.

THE HON. SIR JWALA PRASAD SRIVASTAVA : I never said that.

THE HON. THE PRESIDENT : He also appreciated the League attitude.

THE HON. MR. HOSSAIN IMAM : That we could understand because we offered our co-operation; but he thanked the Congress because they had refused co-operation and that made me think perhaps he felt in that manner. I personally think that the co-operation which we have offered is not offered to the Food Department or to the present Government of India. It is offered in the interests of the suffering humanity and that is a case in which we should be prepared to co-operate even with our enemies. A famine situation is not one that we should use as a ladder to attain our objective, and I must explain the position of the Muslim League on that point very clearly. The Muslim League is not prepared to join any Government until and unless the question of the future is justly settled—I will not go further than that—to the satisfaction of the peoples of India. This method, Sir, of making this an occasion for the establishment of a Government was really to by-pass the League because the League would not have joined without the Pakistan issue being settled to our satisfaction.

THE HON. THE PRESIDENT : It was not final.

THE HON. MR. HOSSAIN IMAM : Now that the excuse of war has disappeared there is no reason why the fundamental issues should not be decided once for all. I do not, Sir, think that anyone in his senses would dream that we are so foolish as to regard that the question of the frontiers and other questions of Pakistan and Hindustan are so easy matters that they can be decided tomorrow and we can come into office day after. The fundamental issue should be decided first and then the details of the picture can be filled in as and when the time comes. We are in no undue hurry for that. But without a decision on the major issues we are not going to take part in the Government. I therefore welcome the substitute Motion which

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the Hon. Raja Govindlal has moved which is not capable of being misinterpreted in the manner in which the former amendment could have been interpreted by those who had designs against the League. I do not say that my friend Mr. Thirumala Row had any such desire, but I wish to be careful and protect myself. I therefore welcome the substitute Motion which has been moved——

THE HON. RAI BAHADUR SRI NARAIN MAHTHA : How does the alternative Motion help you ?

THE HON. MR. HOSSAIN IMAM : I have a very short time and my friend knows that if I am drawn that may take up my time.

Coming to the Motion before the House to consider the food situation, I shall deal with this matter at some length, but I do wish to endorse first of all and give my entire support to the principle which Dr. Kunzru enunciated that children above the age of 8 should be treated as adults for the purpose of rationing. As you have reduced the ration it is very necessary that children in the formative period of 8 to 12 years should have not less than adults.

Another subject which I wish to stress is that this Government usually takes half measures ; it can never do things completely. In the note which was placed by the Hon. the Food Member on the table of the House, as far as army demands are concerned, on page 12 a statement was made that " Government schemes for production have been curtailed or terminated. Three vegetable dehydration factories, and the concomitant vegetable production scheme in the U. P., have been closed down ". May we ask, Sir, what was the reason for closing the production of vegetables ? Is that the way in which you are going to fight famine and scarcity in India—that you are going to stop your aid to agriculture, for the production of vegetables ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : What is the Hon. Member reading from ?

THE HON. MR. HOSSAIN IMAM : From the statement which you yourself laid on the table of the House. We do not object to the closing of dehydration factories, but production has also been closed.

THE HON. SIR JWALA PRASAD SRIVASTAVA : That was done some time ago when the war demand ceased. Since then we have encouraged the growth of vegetables again.

THE HON. PANDIT HIRDAY NATH KUNZRU : Had the Famine Enquiry Commission reported by then or not ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : Yes.

THE HON. PANDIT HIRDAY NATH KUNZRU : How could you allow the U. P. Government to abandon the scheme ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : There was no demand for potatoes, etc., which were being taken by the factories. The dehydration factory had closed down and some of the production had to be reduced. There was no demand for it at all.

THE HON. PANDIT HIRDAY NATH KUNZRU : There was no demand for dehydrated potatoes—you had not got to export them for the Army—but how does the Hon. Member say that there was no need for potatoes in the country when the Commission says that both potatoes, sweet potatoes, etc., are needed ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : I will deal with that in my reply.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY : Does the Hon. Member know that Bengal was having a potato famine for the last two years ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : I am not talking of Bengal. I am talking of certain areas where these factories had been set up and there was special production of potatoes for these factories. When the factories closed down naturally the demand for potatoes ceased there.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY : Could not that potato be taken to Bengal ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : It could not be exported from these far-off places.

THE HON. MR. HOSSAIN IMAM : The Food Member has given a glaring example of the incompetence of the present executive to deal with national question on the level at which they should be dealt with. With a short-sighted policy which has been the guiding star of the Food Department we find that this is not the solitary instance in which production and abundance in one province has existed simultaneously with scarcity in others. Those who live in Delhi, Sir, know that parts of the Punjab in the Ambala Division produce a large amount of potatoes but the Provincial Government did not allow potatoes to come into Delhi and we had a scarcity. Prices in Delhi for rotten potatoes bloated whilst good quality potatoes were selling at cheap rates in adjoining districts. If you examine, Sir, the figures of the amount of rotten foodgrains which have had to be destroyed in different parts of the country—of course, the Food Department has always refused to give those figures—you may be surprised at the wastage which could have been avoided. Well, Sir, if we were to examine all the inequities and bad management of the Food Department I would have no time to discuss the real solution of the problem which is before us.

Sir, to my mind, food being an agricultural product not capable of being intensified by mass production, as industrial goods are ; it is necessary that we must make a sustained and planned movement for its development. You cannot have even for a short period a change over from, say, 50 crores to 55 crores without putting very great labour and planning on a large scale. I am, therefore, Sir, constrained to say that the Government of the present day has dealt with this question in a very haphazard and cavalier manner.

I was gratified, Sir, by the statement of the Hon. the Agriculture Member in which he stressed on the steps which he has taken or he proposes to take, but I regret that though they are good steps they fall far short of the magnitude of the situation with which India is faced. I do not wish, Sir, to express any opinion of my own, but I should like the House to read a very useful book, a small book but a very useful one, written by an authority : Dr. Radhakamal Mukerjee, M.A. of Lucknow, who has dealt with this question in a very good manner. The problem of food is a chronic problem. The population is far outstripping the productive capacity of India. We do not wish, Sir, to remain like England, ever dependent for our food supplies on foreign countries. We would rather, Sir, produce all that we require in our own country and for that reason it is necessary that we must have a regular programme. Firstly, the reason why agricultural production does not increase is that you have not made arrangements for irrigation. Irrigation plays such an important part that no scheme of expansion can prosper without irrigational facilities and irrigation is a subject of long-drawn process. If you decide to have one large canal you have to build it up in five or six years. A factor which has a psychological effect is the price factor. No amount of patriotism or appeals to the sentiment will play that part as an incentive to production and increased production which price can and does play. As long as we are, Sir, on the profit incentive as our method of operation it is necessary that we must assure the producer that he will get a fair deal and that he will not be penalised in future as he was in the past. Being dumb, unorganised, he is unable to stand out and fight for his cause as these big industrial magnates can.

Sir, in this connection I wish to draw the attention of the Government to the parsimony of the Finance Department which this year has removed altogether the grant for Grow More Food campaign. The revenue expenditure estimates do not provide a single penny for expenditure on Grow More Food campaign. Is this the method to fight famine that in this year of grace you have not placed anything for the

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Grow More Food campaign ? Secondly, Sir, I find that repeated requests by the Imperial Council of Agricultural Research, in which the Ministers and Advisers of all the Provinces are associated, for an increased grant in order to facilitate their work have always fallen on deaf ears. If this is the method, Sir, I am afraid that the Government of India has no intention of fighting the famine.

Sir, I would especially draw the attention of the House to the fact that the present peasant has to carry on his work with very aged, decrepit and exhaustive cattle because of the fact that cattle prices are so high, and in this connection I would draw the attention of the House to the statement which Dr. Radhakamal Mukerjee has made. It is a very instructive one. He says that—

"Cattle population in excess of 25 per hundred acres of sown area should be regarded as uneconomic and superfluous and could safely be reduced for the use of agriculture".

He has advocated, Sir, that out of our cattle population almost 60 per cent. is superfluous and only 40 per cent. is useful. What he really means is that if you have a good breed of cattle 40 per cent. of them can do more than cent. per cent. of the inferior quality of cattle which is a drain on our land : on the grass as well as on the grain. It is, therefore, very necessary that Government should take lessons from Russia and start cattle farms of the scope and with the methods which Russia has adopted to meet the needs of its population. India's population is three times as great as that of Russia and yet we always feel the deficiency and cannot do anything. It is necessary that we must have a Government farm or aided farm in order to produce cattle, both milch and draught, of the order of thousands a year, in every province ; not one model farm in one place in the whole of India to serve as showpiece. Our needs must be met. In this connection, Sir, I should like to draw the attention of the House to a very surprising thing which we are having at the present moment. While we are told that our garden plots should be utilised for the purpose of growing vegetables and food, millions of acres of cultivable land are kept fallow by Government order.

THE HON. SIR JWALA PRASAD SRIVASTAVA : Where is it ?

THE HON. KHAN BAHADUR KARAMAT ALI : Assam.

THE HON. MR. HOSSAIN IMAM : I would request the Hon. Member to consult the very useful Report which has been prepared by my Hon. colleague Sir Gopalaswami Ayyangar, in which he would find, on page 9, that the area of culturable waste land in Assam is 20 per cent. of the total culturable area of India. Think of it—twenty per cent. of the whole culturable area. The area under cultivation there is about one-fourth of the culturable land. The area which is lying as culturable waste in Assam is 19 million acres, and is equal to 80 per cent. of the area under rice in Bengal. Gross negligence of this nature can only come from a Government as irresponsible and unmindful of the public interest as the present Government.

THE HON. THE PRESIDENT : When was that Report written ?

THE HON. MR. HOSSAIN IMAM : This is the Report of the Central Land Utilisation Sub-Committee of Policy Committee No. 5 on Agriculture, Forests and Fisheries of the Reconstruction Committee of Council, and it was presented about a year ago. It contains certain statistics. Whereas Bengal is suffering from a huge population of 60 millions, this Province of Assam has got a population of about 10 millions, and yet it purposely keeps fallow an area equal to 80 per cent. of the area under rice in Bengal.

THE HON. THE PRESIDENT : May I ask if the reason why such a large area is not cultivated may be lack of man-power ?

THE HON. MR. HOSSAIN IMAM : Sir, the miseries of Assam are peculiar, and I am very much pained to state that in that matter it is not the Government of India alone which is responsible.

THE HON. SIR JWALA PRASAD SRIVASTAVA : Hear, hear.

THE HON. MR. HOSSAIN IMAM : The Congress is to blame for what is happening today.

THE HON. THE PRESIDENT : It struck me that there was something wanting there. (*Laughter.*)

THE HON. MR. HOSSAIN IMAM : Sir, the fact of the matter is that the magnitude of the problem has always been hidden, and it has been paraded that the area is kept for cattle grazing. The cattle there are one of the poorest in India : even Bihar and Bengal produce better milch cattle than Assam does. Not only that, but the cattle which comes into Assam for grazing is not indigenous ; it comes from Sikkim and other places during the winter and returns home after the winter is over. It is a chapter in our life which is very painful, and to a certain extent shameful.

THE HON. SIR JWALA PRASAD SRIVASTAVA : May I point out, in this connection, that there has been a Ministry in Assam all the time ? Why did not the Ministry tackle it, and how does it fall within the sphere of the Government of India to reclaim that land and cultivate it?

THE HON. MR. HOSSAIN IMAM : I am very grateful to the Hon. the Food Member for having put a leading question to me. Is he not aware of the constitution ? Is he not aware that in a House of 108, Muslims number only 34 ? The iniquities of the present constitution have placed us in a difficulty. We have been unable to form a Government which can work under the orders and superintendence of a political party. A coalition Government is only a Government in which you have compromises.

THE HON. RAI BAHADUR SRI NARAIN MAHTHA : What is the population percentage in Assam ?

THE HON. MR. HOSSAIN IMAM : I can give the Hon. Member all the figures. Muslims are over 34 lakhs. Caste Hindus are 35.76 lakhs. Scheduled Castes are over 6 lakhs. Aboriginals are over 24 lakhs.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY : Muslims are 33 per cent. only. They are in a minority.

THE HON. MR. HOSSAIN IMAM : The question is not of Hindus and Muslims. I will quote from the book written by Dr. Radhakamal Mukerjee.

THE HON. MR. M. L. DAS : My point is that Assam is for the Assamese. Why do you bring in Hindus and Muslims ?

THE HON. MR. HOSSAIN IMAM: And it is open for the Chhatisgarhis to come and settle there in their thousands every year, and you are prepared to spend Rs. 50 for each Chhatisgarhi. But you burn the houses of Muslims. This is " Assam for the Assamese ", as my friend says ? I know the subject, and I can talk on it with authority.

Sir, this is what I was referring to. I was reading from a non-controversial book written by Dr. Radhakamal Mukerjee. This is what he says :—

" Large-scale planned migration and agricultural settlement in the unused or inadequately used tracts in Assam, the Central Provinces, the Punjab, Madras and Sind will materially improve food production in India under the stimulus of an unremitting population pressure. But provincial jealousy and exclusiveness stand in the way of smooth and peaceful colonisation".

This is not the opinion of a Muslim Leaguer or of a Muslim. We are not talking on that plane. I only ask, in the name of humanity, whether, when you find that the pressure of population is nearing 800 to a square mile, you should not allow the people to have a place under the sun where they can live peacefully ?

THE HON. MR. M. L. DAS : During the Bengal famine, those who could not get anything to eat found shelter, not in Bengal, but in Assam.

THE HON. MR. HOSSAIN IMAM : My Hon. friend does not understand what I am talking about.

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Sir, I can mention one or two facts about specific actions of the Government of India in the Food Department. I am indebted to this very statement which was laid on the table of the House for the fact that the Bihar Government had asked for an increase in the price level of rice, but this benign Government refused it. Even a section 93 Government considered that the prices were inadequate and wanted to increase them, but this Government, which is presided over by a national of India would not go as far as even a section 93 Government. I cannot say anything stronger than that.

Look at the method of procurement which they have adopted. Anyone who has any knowledge of agriculture knows that rice is harvested and threshed before the 15th and 31st of January.

THE HON. THE PRESIDENT : May I draw attention to the fact that the Hon. Member has already taken more than half an hour, and there are other members wishing to speak ?

THE HON. MR. HOSSAIN IMAM : I have not much to say. I have made all the preliminary remarks, and now I have to deal with one or two small points. Rice is harvested in December and the beginning of January, and it is threshed by the middle of January, and by the end of January it is usually in the hands of the traders. Now, the Government of Bihar starts the procurement scheme ; it comes to the decision to procure on the 11th February, and this decision gets publicity on the 25th February. How are you going to get hold of the rice which has already been sold away, unless you take punitive measures against producers and penalise them for no fault of theirs ? As regards the procurement of wheat also, you must do it in time, otherwise wheat also will disappear.

I have got several other points but I shall not deal with them now. Sir, I want to say a few words about the remarks of my Hon. friend coming from Dacca. He accused of communal bias if in the whole of India a place is found where an officer wants to do the just thing. He needs must describe it as a great calamity that a Mussalman has been forced in the trade. (*An Hon. Member* : " He did not say that ".) What he said was that Punjabis and U. P. Muslims were given permits. Is it only the monopoly of Marwaris or of the indigenous people of Bengal, Bihar and other Provinces ?

THE HON. THE PRESIDENT : Why do you follow his bad example ? Why don't you set a good example ?

THE HON. MR. HOSSAIN IMAM : Mr. President, I want to reply to all the criticisms which are shed from the right, from the left and from behind.

THE HON. THE PRESIDENT : You have no time to reply to all that.

THE HON. MR. HOSSAIN IMAM : Mr. President, in conclusion I should like to say that the help which we are offering is not a certificate to the Food Department that all is well with it. This should not be regarded that we take the responsibility for the misdeeds of the Food Department of the past or the present or the future. We have offered our hand of help in the hope that thereby we will be able to save the lives which are very precious and which should be saved at all costs.

THE HON. SIR N. GOPALASWAMI AYYANGAR (Madras : Non-Muhammadan): Mr. President, I shall in the few remarks I propose to address to the House be as brief as possible. I do not propose to touch on all the issues arising out of this debate which has now extended over nearly two days. I listened, Sir, yesterday to the speech of my Hon. friend the Food Member with great interest. He related to us the things that had been done under his leadership by the Food Department. He took us over the ground from 1943 up to date. He placed before the House a few days ago, a statement of what hade been done by the Food Department. But, unfortunately, it represented the state of things only on the 21st of January last. Two months have elapsed since and having gathered here to discuss the food situation one would have expected that the information in that document had been

brought up to date so that the House might be in possession of what the food situation today is like. While we heard a great deal about items of policy, the ideals that both the Food Department and the Agriculture Department placed before themselves and some of the targets which they proposed to reach in due course, the Hon. Member's speech did not relate to anything that could be considered particularly relevant to the debate that we are now engaged on. I say this deliberately because we did not get from him a picture of the actual situation as it is today. I should have expected, Sir, the Hon. the Food Member to have told us what the situation is like in different parts of the country, what the deficit in particular areas is and what the total deficit of foodgrains in the whole country is like. We should also have liked information as to what the total production in the country is like, what imports we had actually received and what imports he was pressing for or the Food Delegation on behalf of this country had been instructed to press for by him and his Government. Unfortunately, he left us to gather all this information from sources other than his own speech or the documents which he has made available to us. That is my main grievance with his speech. As to the Food Department itself, I think it has done a great deal since the Foodgrains Policy Committee reported. As I have said once before in this House, that Committee gave this Government a policy and the Government have tried to translate it into practice to the best of their ability. But the Food Department, I think, could have done more.

I shall now proceed to deal with some of the matters that arose out of the discussions we have had. This food problem has both a long range aspect and an immediate aspect. The long range aspect was the one to which the Hon. the Food Member devoted himself almost entirely. I do not say he altogether neglected the immediate aspect but I do say that he did not give it the emphasis and the importance which the present situation demands. Now, Sir, with regard to the long range aspect, the joint statement of policy which he and his colleague, the Hon. Member for Agriculture, has issued contains unexceptionable dicta. They enunciate principles to which few could take real objection. I do not today propose to deal with the issues that arise out of that statement. That, I think, Sir, may well be taken up on a day which, if my Hon. friend Mr. Hossain Imam's suggestion is accepted, I hope Government would give for a discussion of the more important recommendations in the Report of the Famine Enquiry Commission. I shall today confine myself only to what I might call the immediate aspect. We are now faced with a scarcity and a threat of famine such as we had not feared would occur so soon after the war. This, Sir, is a problem the solution of which depends upon our capacity to increase the quantity of foodgrains that could be made available for consumption, and secondly, the problem is one of equitable distribution of the quantity that is so made available. With regard to the first point, Sir, the main thing that I should like to refer to on this occasion is the "Grow More Food" campaign. My Hon. friend Mr. Hossain Imam drew attention to a circumstance of which I was not quite aware, I confess, namely, that the Budget for the coming year contains no revenue provision for a grant for this purpose. If that is so, Sir, it is a matter to be regretted. But, when we are considering this question, should we not look at what has happened or what has not happened under this "Grow More Food" campaign? In the statement that was placed before the House a few days ago to which I have made reference already, I do not think I found any reference to the "Grow More Food" campaign, nor did the Hon. the Food Member refer to anything connected with that matter seriously in his own speech. I find, however, Sir, that the Food Secretary made a reference to it in the other House and I could well understand the very apologetic manner in which he made a reference to this " Grow More Food " campaign. In fact he started by saying—

" The House will no doubt like to have a clear statement from Government on the question to what extent the results of the Grow More Food campaign have kept pace with the increasing needs of the country and whether the claims made by the Government of India in the Agricultural Department under the Grow More Food campaign can be justified by actual results".

He then proceeded to give a few figures, which indicated that as a matter of fact no appreciable progress had been made. In fact after giving those figures he proceeded to say—

[Sir N. Gopalaswami ayyangar]

"On these figures one's first reaction would be that the claims made under the Grow More Food campaign are unsustainable. The discrepancy, however, is capable of a logical explanation".

THE HON. PANDIT HIRDAY NATH KUNZRU: What does he say about rice there?

THE HON. SIR N. GOPALASWAMI AYYANGAR: He says:—

"During 1943-44 and 1944-45 the rice acreage as published on the authority of the Government has shown an increase of 7 million acres over the five-year average and rice production an increase of 5·8 million and 2·8 million tons respectively".

What follows is a really more significant remark—

THE HON. PANDIT HIRDAY NATH KUNZRU: May I ask if the Food Secretary has said anything with reference to the observation of the Famine Enquiry Commission that the figures for 1940-41 or 1941-42 cannot be compared with the figures for the years 1942-43 and the succeeding years?

THE HON. SIR N. GOPALASWAMI AYYANGAR: No, he has not said any thing about that. But one significant fact he does point out, namely:

"That the rice surpluses declared to the Food Department under the Basic Plan, however, have shown an increase of only 3 lakh tons over the pre-war internal surpluses known to have been available for inter-provincial distribution".

The whole blame for the poor results of Grow More Food campaign he places on the seasons, the want of rain.

I have been trying to find out what exactly has happened in my own province under this campaign. The campaign really started in 1943-44. Up to the 30th September 1945 the additional extent that had been brought under cultivation was 180,233 acres. The net area sown in 1944-45 was 31·5 million acres against the pre-war triennial average of 31·7 million acres. Actually therefore there was a drop of 200,000 acres after two years of the Grow More Food campaign. The area under foodgrains was shown in 1944-45 as 28 million acres, while the pre-war triennial average was only 22·8 million acres. One would imagine from this that about 5·2 million additional acres had been brought under foodgrains. The question will be asked, when there was a dimunition of 200,000 acres under total area sown, how is it that 5·2 million acres are shown as having increased under food crops? The only other source from which this could have been obtained was the area under non-food crops. Let us examine these figures. The area under non-food crops in 1944-45 was 9 million acres. The triennial pre-war average was 9·4 million acres, so that really the decrease is only about 400,000 acres against an increase under food crops of over 5 million acres. The only explanation that the Madras Government could give for these figures was that possibly this increase under food crops was due to the area under second crop cultivation on a larger extent of land. From my own experience it seems to me very doubtful whether an increase of 5·2 million acres could have occurred in second crop cultivation even in the whole Province of Madras. I mention these figures to the Hon. the Food Member. I should have mentioned them—if he had been present—to the Hon. Member for Agriculture for him to investigate really what has happened. As regards these figures, are we really growing more food or are we really showing more area under cultivated extent? Now if in spite of these figures there was an increase in the net production of foodgrains, it must be attributed only to the diversion of part of the area under non-food crops to food crops and to second crop cultivation; but as a matter of fact what one finds is that there is a net drop in production also. The average for five years ending 1939-40 was 78,98,660 tons under both rice and millets. In 1945-46 it is estimated at 58,87,000. In 1943-44 it was 78,12,500 and so on.

AN HON. MEMBER: Decreasing?

THE HON. SIR N. GOPALASWAMI AYYANGAR: In any case there is not anything like a noticeable increase. That is one point, and a very important point, which I think those who are enthusiasts over this Grow More Food campaign might well investigate. Personally I do not think, as I said once before, that we are going

to grow more food on plans of this nature, much less on plans which are put out for the purpose of converting gardens attached to houses into fields for cultivation of vegetables, potatoes, and possibly maize. I do not think they are going to affect appreciably this problem of the quantity of grains available for consumption at all.

Now, Sir, the other point with regard to the quantity available for consumption is that having reference to imports. It has been difficult for me to find out what exactly the deficit for the whole of India is like, that is to say, the deficit comparing production in this country with the needs of consumption. The figure, which I take from my Hon. friend Pandit Kunzru, is said to be 6 million tons for India as a whole. I do not know where he got that from ?

THE HON. PANDIT HIRDAY NATH KUNZRU : I think it was stated by the Food Department in a Press Conference recently. Probably the statement was made on the 1st or 2nd February.

THE HON. SIR N. GOPALASWAMI AYYANGAR : Well, if that is 6 million tons, of which rice accounts for 3 million tons, we have got to ask the Hon. the Food Member what steps have been taken by him and his Department to fill up this gap between production and the needs of consumption in this country. I remember to have read in the papers that our Food Delegation at Washington pressed for 4 million tons for the whole year and wanted 2 million tons to be sent to this country within the next few months. Well, as a matter of fact the latest information we have is that we have been promised 1,250,000 tons of wheat for this country. Now, I ask, Sir, what has become of the question of rice ? Some time ago we were told that Siam had a surplus of 1½ million tons.

THE HON. PANDIT HIRDAY NATH KUNZRU : Of reparations rice.

THE HON. SIR DAVID DEVADOSS : That goes to Malaya.

THE HON. SIR N. GOPALASWAMY AYYANGAR: Well, there was a race for a share in that surplus and I know as a matter of fact Madras asked for about 750,000 tons out of that. We were told that the allotment was somewhat about 400,000 tons but we do not know really how much has really been got out of Siam. I remember it was said, on the authority of very responsible persons, that two vessels sailed from Goa, a Portuguese port, to Siam for the purpose of carrying a load of rice from Siam to India. They went there, did not find the rice, put a quantity of sand as ballast into the vessels and came back to India. (*Laughter.*) That is the information which I have received. I do not know how far that is correct. Even today we are ignorant as to what the position as regards Siam rice is. Now, so far as Madras is concerned, that is a very important thing. Even if we get all the 1½ million tons of wheat Madras cannot, I am afraid, consume more than the 300,000 tons of what it has asked for out of the 1 million ton total that it has applied for. As the House knows, Madrasis cannot consume anything like even those 300,000 tons of wheat. Now if Madras must get rice, what are the arrangements that the Food Department has made for our getting the rice we need ?

Now, Sir, in the course of the Hon. Member's speech—I think the Hon. Mr. Hossain Imam referred to it but in a way somewhat different from how I understood the Hon. Member's speech—he referred to the Madras famine. I thought he claimed credit for having discovered famine in the Madras Presidency himself and that no Madras officers were aware of it till he or somebody under his orders went to the Province, saw things for himself and came back and said there was going to be famine in Madras.

THE HON. SIR JWALA PRASAD SRIVASTAVA : No, I said nothing of that kind. Perhaps I have been misunderstood by my friend.

THE HON. SIR N. GOPALASWAMI AYYANGAR : I think the Hon. Mr. Hossain Imam mentioned the 20th of February, 1946.

THE HON. THE PRESIDENT : Please bring your remarks to a close now.

THE HON. SIR N. GOPALASWAMI AYYANGAR: Yes, Sir, I am going to do that presently.

Here, Sir, I have got the cutting of an interview which was given on the 19th of January by Sir Sonti Ramamoorthy whose administration of the Food Department in the Madras Presidency has been of outstanding merit. He told people in Madras, I mean the Press people in Madras :—

"Our ability in the coming months to maintain the 1-lb. ration of cereals depends upon the aid from the Government of India and His Majesty's Government...."

THE HON. SIR JWALA PRASAD SRIVASTAVA: What date is that ?

THE HON. SIR N. GOPALASWAMI AYYANGAR: 19th of January.

"and I am going to Delhi to urge that it be given".

He came to Delhi. I believe he created quite a furore at a meeting here, which was duly publicized in the papers. He came back and met the Provincial Food Council, of which I am also a member, and made a statement which made a stir not only in India but outside India.

THE HON. SIR JWALA PRASAD SRIVASTAVA: I do not deny that.

THE HON. SIR N. GOPALASWAMI AYYANGAR: You do not deny that. What I wish to say is that I do not think the Food Department need claim the credit for having discovered famine for us.

THE HON. SIR JWALA PRASAD SRIVASTAVA: But did he tell us that before the 19th of January ? That is the point. Did he say that previously anywhere ?

THE HON. SIR N. GOPALASWAMI AYYANGAR: 19th of January was the climax of a series of talks and correspondence which he had had with the Govt. of India.

THE HON. SIR JWALA PRASAD SRIVASTAVA: Exactly, that is my point.

THE HON. SIR N. GOPALASWAMI AYYANGAR: Well, Sir, I do not wish to go into other questions. I would only refer to one point and finish and that is about this amendment. We are all very grateful to His Excellency the Viceroy for the hand he has taken in tackling this very important problem, but judging from what is happening it looks to me as if the Food Department has in some ways and in certain aspects been put aside in the course of these happenings. Now, let us take, for instance, the first occasion on which His Excellency the Viceroy sent somebody to see Mahatma Gandhi at Wardha soliciting his help in connection with the food situation. The Mahatma told the emissary that the proper thing to do was to establish a Government at the Centre which would be responsible to the Legislature. The thing dropped there. In the last few days we have had two alternative proposals : one was that there should be a Committee of 12 to 14 to sit over the food administration. Now, Sir, I think the Hon. the Food Member has got the assistance of four different committees already. I need not name them. I think he gave the number in answer to some question sometime last year. Well, this was to be another Committee and this was put before the Congress Working Committee which turned it down on the ground that it was going to be merely advisory. Then came another proposal that there was to be a super-authority consisting of four persons, at a very, very high level indeed, and this Committee was to have plenary powers ! I do not know where the Food Member and where the Food Department was in all this.

THE HON. SIR JWALA PRASAD SRIVASTAVA: That is wrong.

THE HON. SIR N. GOPALASWAMI AYYANGAR: Whatever it is, that is the impression that has gone abroad.

THE HON. MR. HOSSAIN IMAM : Could the Hon. Member say what is wrong ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : Plenary powers.

THE HON. MR. HOSSAIN IMAM : Was the Viceroy only to be an Adviser ?

THE HON. SIR N. GOPALASWAMI AYYANGAR : I think the Hon. Member's contradiction in this House would have to be taken as official contradiction as there has not been any official contradiction before.

THE HON. SIR JWALA PRASAD SRIVASTAVA : I will officially contradict it in my reply.

THE HON. SIR N. GOPALASWAMI AYYANGAR : Now, Sir, the point for me to urge in this connection is that all this shows that the present Government, or whoever are responsible for food administration in this Government, feel that they had not got the support of the country——

THE HON. MR. HOSSAIN IMAM : Hear, hear.

THE HON. SIR N. GOPALASWAMI AYYANGAR ——and, therefore, efforts have been made both by the Hon. Member in inviting a number of non-officials to join his Government Delegation to Washington and also by His Excellency the Viceroy. He is trying to gather support for whatever he proposes to do in this connection.

THE HON. SIR JWALA PRASAD SRIVASTAVA : Every constitutional Minister wants to do that.

THE HON. SIR N. GOPALASWAMI AYYANGAR : I do not think so. A constitutional Minister will take the responsibility of taking action and rely upon his party or the country supporting him, which is a very different matter.

Now, Sir, the point for us to realise, particularly with reference to the amendment moved by the Congress Party in this House, is that after all, if you are going to have food administration conducted with the support of the people, the proper method of doing it would be to instal in office a Government which can command all that support, and not let the present Government carry on and seek the support of all and sundry for backing whatever it does. That is, after all, at the back of this amendment, and I should think that in view of all the declarations that have been made from the Prime Minister and the Secretary of State downwards by His Excellency the Viceroy and others, and, I believe, even by Hon. Members sitting on the front Benches, everybody is agreed that a new Government at the Centre—National, if possible—in order to deal with a food situation of this magnitude should be set up in the very near future, and the sooner it is done the better.

THE HON. THE PRESIDENT : Does the Hon. the Food Member wish to speak now, or after the speeches of the two or three members who wish to speak ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : I will take about 40 minutes to reply to the debate ; and I would speak last.

THE HON. THE PRESIDENT : I will give the remaining speakers ten minutes each, not more. Everything that could possibly be said on this matter has been very clearly and fully said, and Hon. Members should confine their remarks to any new points they wish to make and not repeat the previous arguments.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY (West Bengal : Non-Muhammadan) : Sir, speaking on a similar Resolution during the period of the Bengal famine, the Hon. the Food Member said that in order to improve the food situation what was of primary importance was the restoration of confidence among the people. May I ask the Hon. Member whether he is satisfied that his Government has won the confidence of the people ? The Government has thought fit to choose as a member of the Food Delegation a gentleman during whose Premiership the man-made famine in Bengal took place. The picture would have been complete if the chief procuring agents had also been associated with the delegation.

[Mr. Susil Kumar Roy Chowdhury]

Sir, I hope the Government will see that the food situation is not mishandled in the way it was done during the last famine in Bengal. I hope that there will not be a single death in any part of India this time from starvation. And even if deaths occur, the Central Government should instruct the Provincial Governments to keep a record of such deaths. During the last famine in Bengal the Bengal Government did not keep any record whatsoever.

The Hon. Member wants the confidence of the people. How can you have the confidence of the people when you have all around you men corrupt to the core? Sir, I was one of those who thought that direct procurement of foodgrains by the Government would help to improve the situation. But I have been disillusioned. I shall state the reason why. In some parts of South Bengal the crop has not been very bad this year. Now, the licensed traders who used to purchase paddy direct from the cultivators are harassed by the river police in such a way by the misuse of the Food Grains Control Order that they have stopped going about in different villages for their purchases, with the result that an agriculturist who wants to sell, say, 50 maunds of paddy has to carry the same to the Government purchasing centre, where he is often told that paddy is not required on that day or that the paddy tendered is of very poor quality and unless he is willing to forego Rs. 50 over the 50 maunds he will have to take the paddy back, which means extra expense to him. The poor cultivator has no option left but to pay this price for selling his paddy to Government, as he cannot sell it to anybody at home. That is how corruption is going on. I hope the Hon. Member and his Secretary will exercise stricter supervision and root out all corruption so rampant in the matter of procurement and distribution of foodgrains.

Sir, I do not find anybody representing the Food Department on the Government benches. I must strongly protest against this. What does the Hon. Member think we are here for? For show or what?

Sir, I suggest that the Government agent should go to the producers for purchasing the surplus stock and carry the same at Government expense. The Government should not force the agriculturists to bring his surplus stock to the Government purchasing centre, situated at a far distance place, and make him a "pheriwala" of foodgrains. I suggest also that the producers should be apprised of the minimum and ceiling prices by beat of drum in every market place.

Then, Sir, I ask the Hon. Member not to fix the ration of agricultural labourers at 16 oz. I know an agricultural labourer in Bengal takes at least one seer of rice every day. The Hon. Member may not know this, but I am sure his Secretary, my friend Mr. Sen, knows this very well. If you reduce the quantity of food of an agricultural labourer, he will refuse to cultivate the land for growing foodgrains and will take to other kinds of labour, which will seriously affect the food situation in the coming year. Then, Sir, all menial labour, such as domestic servants, sweepers, peons, etc., should be regarded as manual labour and should be entitled to an increased ration, because these labourers do not take things like eggs, meat or milk.

As regards your question to Pandit Kunzru regarding subsidising foodgrains I have already suggested in my Budget speech that this can be done by opening subsidised food stores in every village union where foodgrains below cost price may be made available to persons having an income up to a certain level and to agriculturists who do not possess more than five acres of land and who have minors and female and infirm dependants to maintain. Sir, I support the amendment.

FLT.-LIEUT. THE HON. RUP CHAND (Punjab: Non-Muhammadan): Sir, India's food problem is now on the map of the world. For the first time the statesmen of all countries have joined heads to consider the food crisis that is threatening the world. It will have to be admitted that a combination of unfortunate circumstances has led to the present state of affairs. The failure of rainfall in the South, Central India and the winter rains of North have brought about a state of shortage in foodgrains. The total production of foodgrains in the country will have to be very carefully distributed in order to tide over the approaching famine. It will have to be minutely watched that the distributing agencies are able to feed the poorest

sections of the population, because it is here that there is chance of the food not reaching in sufficient quantities.

Sir, food shortage in India is becoming a chronic malady. Even in normal times there is not enough to go round for all the 400 million people of India. A substantial part of the population lives permanently on the verge of starvation. This is the reason why the consequences of food shortage are felt very quickly in India.

It is not very long since the seriousness of the food situation in India was recognised. The recent Bengal famine made every one conscious about the urgency of the problems of production and distribution of food in India. The problems of under-feeding and malnutrition have not been sympathetically taken into account until the Government of India was faced with the war-time problems.

The Food Member, in a recent speech, admitted that the situation can be tackled effectively and in better way only if the Government receives the full and hearty co-operation of the people.

I ask you, Sir, what has the Government done to inspire confidence amongst the people? Corruption and malpractices have been the order of the day and the mismanagement which took place in Bengal is too well-known. The Government will have to admit that their arrangements for meeting the crisis of Bengal famine fell far short of the requirements and this along with bad distribution of whatever food got to Bengal, brought about the unhappy results. This failure on the part of the Government caused an unprecedented loss of confidence among the people in this respect. The Government must now start with this handicap and will have to put in far greater effort in order to meet the present situation.

I submit that it is necessary that, apart from temporary solutions like imports of food from abroad, long-term and permanent remedies to solve the food shortage should be resorted to. The population of India increases every year by about 50 lakhs, but the food resources of India are at present limited. It should be the duty of the Government to make India entirely self-sufficient in the matter of food supplies. Is it not a tragedy that being predominantly an agricultural country, India should beg for food from other countries? The only way to be independent of others help is to increase the food production in India by improved methods and by effectively tackling the problems of food distribution. I would advise the Government that they should lay great stress on the question of distribution of food during the coming crisis. Of course, any amount of food we are able to get from countries outside India would be welcome, but unless very efficient distribution agencies are established no amount of food would be enough to go round particularly on account of the scare which has been created about the coming food shortage and its consequences of developing black market.

I would now like to mention briefly, Sir, the methods by which we could all co-operate and relieve the food situation in the country.

(*i*) The Government are already making desperate efforts to import foodgrains from the United States, Canada and Australia and giving the highest priority to this matter in shipping.

(*ii*) Every effort should be made to grow crops which produce higher food value per unit, for instance, it is estimated that an acre of wheat feeds about twenty people while an acre of potatoes is sufficient for forty persons. In this connection I may also quote the recommendation of the Famine Enquiry Commission Report, 1945—"Crops such as potatoes and bananas give larger returns of food energy per unit area than cereals". It is needless to say that more attention should be paid to the growing of the crops.

(*iii*) I am distressed to note that the Hon. Member has made no mention of the storage facilities for foodgrains in India. The storage facilities in India are deplorably inadequate and most defective. It is a matter for regret that the Government of India, even after the establishment of separate departments of Agriculture and Food, have not been able to prevent the colossal wastage of foodgrains in India as a result of faulty storage, damage by rats, insects and other pests of stored crop and diseases. Sir, it may seem unbelievable, but it is nevertheless true that almost 1/10th of the total food production of India is destroyed by these pests. The quantity of foodgrains which can be saved by providing up-to-date storage facilities

[Flt.-Lieut. Rup Chand]

and modern elevators, as are provided in Europe and America, is substantial and may amount to lakhs of tons.

(*iv*) Government should acquire all surplus available stocks from the military authorities, including grain, tinned foods, vitamin tablets, concentrated foods, powdered milk, etc., and allot them for civilian consumption. Active military operations are now over and the rations of military men should also be reduced as has been done in the case of civilians.

Long-term measures to increase India's total food production should also be taken in hand immediately and the recommendations made by the famine Committee should be adhered to for the future. The supply of water and extension of irrigation facilities by wells, tanks, dams, and canals; increase in production and utilisation of all resources of manure and fertilizers so that the yield per acre (which is quite low in India at present) may be increased; with the distribution of improved varieties of seed.

THE HON. MR. M. L. DAS (Nominated Non-Official): Sir, it seems the debate on the question of food has become sessional. The reason for the discussion of the food problem again and again in the House seems to me that the real causes that are likely to lead to famine have not been traced out. Sir, the Government of India have accepted the recommendation of the Gregory Committee for Grow More Food campaign. In order to avert the calamity of famine the Gregory Report has recommended "Grow More Food" campaign as one of the measures. The Government of India adopted that recommendation and circulated throughout the whole country that people should grow more food. Now the Government Member says that the "Grow More Food" campaign has been partly successful, while the other non-official members have said that the campaign is not a success. To me it appears that the "Grow More Food" campaign has not been a success; otherwise, Hon. the Food member would have had no occasion to send a Food Mission out of India with a begging bowl to America for some millions tons of foodgrains. Sir, it is really regrettable that a vast country like India with so many resources has got to play the role of a beggar—the sending of a mission out of India to a foreign country for a morsel of food is certainly a dignified form of begging—I would call it. It is no credit to the Food Member to say that he has been able to secure some millions of tons of food from the Combined Food Board. To my mind the real causes of this prospective famine is that India has ceased to be a land of plain living and high thinking. In India practically we have no standard of living. There are certain intellects —I may call them trained intellects—without trained hearts. They are simply taking advantage of the present policy of supply of Government. Sir, the Supply Department has been introduced for the benefit of the people and a machinery has been set up for the working of the Food Department. But how is that machinery working? It is all full of corruption, it is all full of dishonesty, it is all full of evils. If the Hon. Member would simply examine the bank balances of those who form part of the machinery of control, and supply he would be able to realise how the machinery is working. Until and unless this corruption is rooted out, until and unless individual trained intellect with a trained heart is allowed to carry on the food administration, I would emphatically say that this problem of food shortage will ever continue——

THE HON. THE PRESIDENT: God forbid.

THE HON. MR. M. L. DAS: I would say one thing, Mr. President. The Hon. the Food Member is here in New Delhi. New Delhi is the capital city of the whole of India. Let any of my Hon. friends go out and examine the Delhi streets, he will find lot of people dying there for want of food.

THE HON. SIR JWALA PRASAD SRIVASTAVA: Where?

THE HON. MR. M. L. DAS: In Old Delhi streets.

THE HON. SIR JWALA PRASAD SRIVASTAVA: I have not seen one.

THE HON. MR. M. L. DAS : On the Victory celebration day I did not get out in the morning out of fear, but in the evening I had a round, and near the Town Hall just in the streets a man was lying dead. There was no movement. The passers-by there asked a beggar to remove the cloth and see whether he was living. The body was examined and he was found dead there. What is this ? This is simply callous disregard of human life. So I say, Sir, that a trained intellect without a trained heart cannot achieve anything. (*Laughter.*)

The next point is—there is no question of laughing it away. You are all Hon. Members here, big people. ou can talk a lot here. Your talk will not help those poor people.

THE HON. THE PRESIDENT : Mr. Das, don't take any notice of that. You go on.

THE HON. MR. M. L. DAS : Another reason leading to the food problem is the whims and vagaries of nature. Take, for instance, drought or flood affecting or interfering with cultivation. We, human beings, have no control over that. But we can help by co-operating to move things from surplus to deficit areas. More or less it depends on the co-operation between the provinces. This is being done. The other day I read in the papers—I forget in what connection—that 10 lakhs maunds of rice were sent out from Assam through Chittagong to Madras. Assam is not so very hard-hearted as to allow people to die of starvation. Hon. friends on the opposite side have made various suggestions to solve the food problem so that we may have ample to eat. The formation of a National Government has been suggested. But I do not see how a National Government would lead to the solution of the food problem. Will the National Government make the whole lot take to the plough ? It is impossible. My Hon. friend Mr. Thirumala Row, who is not here just now, said that food is life and life is food. But he did not mention how food is transformed into life and life transformed into food. (*Laughter.*) What is the agency behind that ? What is the Supreme Power behind that ?

Now, Sir, I presume everyone of us here is an Theist. Theist or atheist ? I want some answer on that point.

THE HON. THE PRESIDENT : Never mind about that ; please go on.

THE HON. MR. M. L. DAS : My Hon. friend Mr. Thirumala Row said yesterday that food is life and life is food, but I should like to know how food is transformed into life and life is transformed into food. There must be some unseen power which does that– (*Some Hon. Members* : Yes)– —and unless and until we rely upon that unseen power, Sir, your planning business, your policy-making business, will not come to your help with regard to the solution of the food problem.

This reminds me, Sir, of a certain story, a significant story.

THE HON. THE PRESIDENT : You have got two minutes more.

THE HON. MR. M. L. DAS : A very short story, Sir. Of course, my friend the Food Member knows the King Ravanna, and how powerful a king he was.

THE HON. SIR JWALA PRASAD SRIVASTAVA : No, I don't know him. (*Laughter.*)

THE HON. MR. M. L. DAS : As a Hindu—I think, you claim to be a Hindu, is'nt it ?—I am sure you know him. One day that mighty King was having a tour round his country. In the course of his travelling he found the Hindu God, Vishnu, sitting on a mound weighing sands.

Now, Ravanna asked : " Well, Vishnu, what are you doing here ; you are playing like a child ?"

Vishnu replied "I am not playing like a child. I am allotting rice to the creatures in the world. There are birds, there are beasts and other animals, and there are human beings. To every one I am allotting his quota." (As my Hon. friend the Food Member is doing now!)

Now, Sir, Ravanna was thunderstruck. He said, "What is this. I am a mighty king. I have everything in my possession. You say you give me food. Are you really giving me food?"

Vishnu said, "Yes, it is I who gives you food."

Ravanna said : " All right, then just tell me the particular day on which I shall have no food."

[Mr. M. L. Das]

Well, Sir, that particular day was named and Ravanna on the day in question found every thing all right. All sorts of nice dishes placed in front of him in right royal style.

THE HON. THE PRESIDENT : You have now exceeded your time.

THE HON. MR. M. L. DAS : Let me finish this story, Sir.

Now what happened. The food was there and he was about to eat and was saying, "Oh, Vishnu must be wrong. He said that I would not get my food on this particular day. This is food just in front of me and I am going to eat it " and looking at the food he was smiling. Just about that time, Sir, Indrajit, his son turned up. It had been his wife's turn to cook on that particular day. Now when Indrajit came into the room he found Ravanna smiling and thinking that Ravanna's smile indicated immoral intimacy with his (Indrajit's) wife at once jumped on his father. Now you can imagine what happened to the food before Ravanna. Everything was upset and he did not get the food to eat on that particular day as no food was allotted to him by Vishnu. Therefore, Sir, I say that unless you have faith in that unseen power, whatever planning you do it would be of no avail.

THE HON. SIR JWALA PRASAD SRIVASTAVA : Mr. President, Sir, I will try to be brief. This debate has gone on for two days and numerous points have been raised. If I fail to reply to all of them it will be only because of want of time.

Sir, I will try and deal with some of the salient points raised during the debate. First of all, Sir, my friend the Hon. Mr. Thirumala Row in moving his amendment raised the question as to whether prices should not be raised. Sir, we have gone carefully into the question of prices and we consider the present level of prices to be fair, both to consumers and producers. If my friend will refer to certain paragraphs of the report of the Famine Enquiry Commission, which I need not quote here, he will find that we have regulated the prices in accordance with the principles laid down there and I claim, Sir, that it would not be right at this stage for us to raise the prices. In conditions of scarcity, Sir, the raising of prices may involve serious consequences, because, Sir, in those conditions the raising of prices generates the psychology of greed and fear which involve hoarding on a large scale and thereby intensify shortage.

Sir, the next point that was raised by the Hon. Mr. Thirumala Row was that we should use co-operative societies for purposes of procurement. Sir, this is an accepted policy of Government. We have been using co-operative societies wherever we can possibly do so but as the House knows co-operative societies are not all good and efficient.

THE HON. MR. HOSSAIN IMAM : Are many of them, or very few of them, good ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : Now, Sir, I will refer to remarks made by my old friend Sir Shantidas Askuran which astounded me. I do not think he was present here when I made my opening speech, otherwise he would not have said that we were found unprepared for the calamity. I related at length the developments in the food situation since August last, and I claim, Sir, that in this case at any rate we have not been caught napping. We have been alert all the time, and we could not have done any more than what we have done.

Sir, I would like now to deal with some of the points raised by my Hon. friend Pandit Kunzru. He felt somehow that my speech did not emphasise the gravity of the situation. I have got here the transcript of my speech, and I confess, Sir, that I do not see what more I could have said to stress the fact that the situation in the country is grave. I cannot talk irresponsibly and cause panic. But the Food Department in this instance have stressed all along that the situation is grave. They have kept nothing from the public or from the Legislature, and they have done all that it is possible to do to secure supplies, to tighten our belts, and to help others in improving the situation. My friend also said that in my speech I used the first person singular all along. I have read the transcript of my speech and I do not find that I have

used the first person singular. I have made a factual statement of what the Department has done to deal with the food situation both in its long-term and short-term aspects, and I have nowhere used the first person singular. The circumstance that I happen to be the leader of the Department is, to my mind, a fortuitous one ; the credit goes entirely to the Department and those who have worked in it to ease the food situation in the country. And I maintain that still. I hope that when the present Government goes and a National Government, or whatever it may be, comes along, they will still find that machinery extremely useful, I would like to see in what respects they would be able to change it.

THE HON. THE PRESIDENT : But his more serious point, as I understood it, was that in 1943 and 1944, he asked for some information from the Hon. Member and the Hon. Member promised to supply it, but the Government has not supplied it to him up to date. What has the Hon. Member got to say to that ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : I am coming to that. Dealing with the complaint to which you have just referred, we have been supplying all possible information, as far as I know, and I have asked my Secretary, and my Department has the greatest respect for Pandit Kunzru and the other members of this House, and they have never refused them any information. I do not know what particular information has not reached him, and I shall take that matter up at once if he will kindly let me know what points he would like statements on.

THE HON. PANDIT HIRDAY NATH KUNZRU : I gave all the points to Mr. Sen in November, 1944.

THE HON. SIR JWALA PRASAD SRIVASTAVA : I shall look into the matter. There has been no desire on the part of anybody to withhold information and I was under the impression that Pandit Kunzru, of all persons, was in the closest touch with my Department.

Sir, the Hon. Pandit Kunzru has again referred to certain recommendations of the Famine Inquiry Commission and has asked what action we have taken on them. I thought, Sir, that yesterday I took some time in the House in dealing with this matter. I have stated that we have set up a special division in the Food Department to deal with the recommendations of the Famine Inquiry Commission, and the statement of policy that we issued the other day represented the decisions reached on its recommendations.

THE HON. PANDIT HIRDAY NATH KUNZRU : May I interrupt the Hon. Member ? What I asked was whether Government had fixed any time within which certain results were to be achieved. To set out a policy and say that certain proposals of the Commission had found favour with the Government is one thing, and to fix the stages by which those recommendations are to be realised is quite another thing. To do the latter thing would be to put forward a practical programme.

THE HON. SIR JWALA PRASAD SRIVASTAVA : I will explain that. The first thing to do is obviously to sift the recommendations and to discuss them with the Departments concerned and also with the Provincial Governments and the Indian States. We have got an organisation working at it. The Special Commissioner who is dealing with the matter has toured several provinces already. He is going to continue this during the next two or three months, and then he would be able to give me a considered plan as regards time and so on. It is not possible for the Government of India to lay down a target time without consulting the provinces on whom will fall the responsibility of doing the work. Most of the recommendations of the Famine Inquiry Commission pertain to the provinces. We from the Centre can do very little except perhaps co-ordinate and give directions. It is the duty of this Special Commissioner to go round and get all the Provinces and States in a line with that policy. He is doing that for what he is worth, and I hope that in the near future we shall have a plan ready which I shall be glad to place before the House. Sir, the Hon. Mr. Kunzru has inquired as to how we have computed this 6 million tons deficit which was given out to the Press a short while ago by an official spokesman. Sir, 3 millions of that pertains to the deficit in Bombay, Madras and

[Sir Jwala Prasad Srivastava]

Mysore, and the remaining 3 million tons has been roughly computed to be the deficit due to the failure of the winter rains and other factors in the rest of India. It is a rough figure. There is no formula for computing these deficits but I think we are not far off.

THE HON. MR. G. S. MOTILAL: Is it guess work ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : No, Sir, it is not guess work. It has been computed on the basis of such information as is available. Sir, my Hon. friend Mr. Kunzru, and I believe also the Hon. Mr. Hossain Imam, inquired about the age-limit for children for rationing. I would like to inform them and the House that this Government issued a circular to all the Provincial Governments and Administrations telling them that the age-limit of a child who was to receive a child's ration was to be reduced to 8 some time ago. I will now inquire as to which provinces have given effect to this instruction of ours.

THE HON. PANDIT HIRDAY NATH KUNZRU : When was this letter issued ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : It was issued on the 23rd of March, 1945.

THE HON. SIR SHANTIDAS ASKURAN : Afterwards the ration has been decreased.

THE HON. SIR JWALA PRASAD SRIVASTAVA : We said in that letter that the definition of a child should be " from date of birth to the age of 8 ". We have to define a child which is below age.

THE HON. MR. HOSSAIN IMAM : Is the Hon. Member aware that even in Delhi this is not accepted ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : I would not like to say that, Sir, but I will inquire. It is the accepted policy of the Government that a child should be one who is below 8 years of age. That matter has already been dealt with by us.

THE HON. MR. HOSSAIN IMAM : May I request the Government to be more persuasive with the Provinces ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : Well, Sir, the Hon. Mr. Kunzru next raised the question----

THE HON. PANDIT HIRDAY NATH KUNZRU : May I interrupt the Hon. Member ? The Hon. Member was going to give us the names of the provinces that had carried out that proposal of the Government of India.

THE HON. SIR JWALA PRASAD SRIVASTAVA : No, Sir. I said that I have not got the names but I will inquire.

THE HON. PANDIT HIRDAY NATH KUNZRU : I am sorry.

THE HON. SIR JWALA PRASAD SRIVASTAVA : I will inquire. We issued that letter and we will now inquire as to the provinces which have not carried out that order. I will make that inquiry. I undertake to do that.

Sir, the next point that was raised by the Hon. Mr. Kunzru related to subsidised food. My friend knows probably that in every province there are a large number of cheap grain shops. I do not know whether that is what he means.

THE HON. MR. G. S. MOTILAL : Not that I know of in Bombay.

THE HON. SIR JWALA PRASAD SRIVASTAVA : In many provinces, I would like to say that as the situation demands Provincial Governments open out cheap grain shops.

AN HON. MEMBER : Not in Bihar.

ANOTHER HON. MEMBER : Not in Bombay, not in Madras. I would like to know where this has been done ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : This is in the interest of the poor.

THE HON. SIR SHANTIDAS ASKURAN : We are interested as much as you are. We want to know which province has adopted that, and where cheap grain shops are existing ?

THE HON. SIR DAVID DEVADOSS : Probably, in the case of industrial areas, railway servants and others, cheap food is available. Not in Madras.

THE HON. SIR JWALA PRASAD SRIVASTAVA : Wherever there has been need at the time of distress there have been cheap grain shops. I have seen many of these in Bengal myself.

THE HON. SIR DAVID DEVADOSS : May be in Bengal which is a favoured province.

THE HON. SIR JWALA PRASAD SRIVASTAVA : Where the Provincial Governments have not felt the need for them, they have not opened them naturally. But, at the time of distress I am quite sure that a large number of these shops will be opened.

THE HON. SIR SHANTIDAS ASKURAN : What percentage will be ——

THE HON. SIR JWALA PRASAD SRIVASTAVA : My time is short ; I would not like to be interrupted.

THE HON. SIR SHANTIDAS ASKURAN : I only wanted to know. It will help us a great deal ——

THE HON. SIR JWALA PRASAD SRIVASTAVA : Will you please let me go on ?

THE HON. SIR SHANTIDAS ASKURAN : I only wanted some information.

THE HON. THE PRESIDENT : You all had your say. Let him now have his say.

THE HON. SIR JWALA PRASAD SRIVASTAVA : I have said what I had to say, Sir.

Now, Sir, with regard to the general question of subsidy for the poor, that is a big question and that, as I said, is under examination. It is a very vast question. It has made a good deal of progress. The House knows what it means. The Committee which is sitting and examining that question has been charged with examining in all its bearings, financial, administrative and social, the principle of subsidy in the matter of both distribution and production of foodgrains and other foodstuffs, whether with a view to bringing down the cost of living or raising the standard of living or aiding in the solution of the price problem and agriculture, and to make recommendations to that effect. The great difficulty just now in that matter is that prices are so unstable and unrealistic. If we accept the general principle of subsidising food for the poor at this stage we may be letting ourselves in for something we do not know. But, at a time of distress, I wish to assure the House, as a temporary measure, as an emergency measure, we shall see to it that the poor get food at prices which they can afford. The larger question will take a little time for examination. It involves huge sums of money and is subject to a lot of difficulties.

Sir, my friend Raja Motilal rightly drew our attention to the black marketeer and the hoarder. I am entirely at one with him that we should root out these social pests ; and I want the co-operation and the help of the House and the public at large in doing this. It is not possible for Government alone to stop black marketing or hoarding. The problem is a tremendous one.

[Sir Jwala Prasad Srivastava]

Now I turn to my friend Mr. Hossain Imam. He has as usual thrown a few brickbats at me, but as I said I do not mind them. He has accused me of dealing with the food problem in a light-hearted manner. Now, Sir, I would ask any impartial judge to read my speech in cold print and then say whether I dealt with the problem in that manner. I say I could not have been more serious than I was.

The next point that he raised was what action has been taken on the Report of the Famine Commission. I have already dealt with that. We are examining the Report in consultation with the Provinces and the States. There is an officer and a full Secretariat busy on that job. But he said—perhaps I did not make myself clearly heard—he said that I suddenly woke up on the 20th of January to a famine in the country. I said nothing of the kind. I said the exact magnitude of the disaster with which we were faced was made known to us at the Conference of Provincial Representatives on the 22nd of January. We had known for some time that there was going to be scarcity. There were different figures given to us by the Provincial Governments. The loss was a progressive one. But it was only on the 22nd January that we knew that Madras alone was going to be short to the tune of nearly 2 million tons. It was only then—my friend Sir Gopalaswami Ayyangar was quite right when he pointed out—that Sir Ramamoorthy came with the figures and told us on the 22nd of January. He had not given those figures for before that.

An astounding statement has been made by one or two Hon. Members that there is no provision in the Budget for the Grow More Food campaign——

THE HON. MR. HOSSAIN IMAM : Under Revenue head.

THE HON. SIR JWALA PRASAD SRIVASTAVA : I do not know under what head. But I can assure the House that there is provision for Grow More Food in the Budget. I would like the Hon. Member to refer to Major Head 88, Capital Outlay, Sub-head, Grants-in-aid to Provinces for development. The demand put down is Rs. ·35 crores, out of which I am informed by the Agriculture Departmeent that they have so far asked for 150 lakhs for Grow More Food.

THE HON. MR. HOSSAIN IMAM: Is it contained in the book of Demands for Grants ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : Yes, I believe so. I have not got it here. I made enquiry and I am informed that under Major Head 88, Capital Outlay, 35 crores have been provided.

THE HON. MR. HOSSAIN IMAM : 150 lakhs for Grow More Food. Is it printed or is it given in any book of expenditure ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : I thought members ought to know that themselves.

THE HON. MR. HOSSAIN IMAM : It is not in the book.

THE HON. SIR JWALA PRASAD SRIVASTAVA : Provision has been made and there will be plenty of money for Grow More Food. There will be no shortage of money. But the difficulty has been to get schemes from the provinces, schemes on which money could be usefully spent.

There was also some criticism about the discontinuance of vegetable production in U. P. My attention was drawn to the memorandum which we circulated a few days ago. I have read it. On the cessation of the war with Japan we stopped the cultivation of potatoes which were grown entirely for these two or three factories which the U. P. Government had set up for supplying war needs. That land did not lie useless after that. I suppose foodgrains were grown on it. But since then, Sir, we have started two of those factories in order to dehydrate potatoes for the use of the famine-stricken areas. The information contained in the memorandum related to a period before the famine scare was on.

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS : With the permission of the Chair, may I know from the Hon. Member whether menial servants will be entitled to get more food like labourers ? He was not replied to that point.

THE HON. MR. HOSSAIN IMAM : My friend wants to know whether menials will be treated as hard manual labourers.

THE HON. SIR JWALA PRASAD SRIVASTAVA : The next item which I took a note of arising out of Mr. Hossain Imam's speech related to the Assam Land Line system. I know the problem very well. I have been at it for the last three years.

THE HON. MR. HOSSAIN IMAM : I wish you every success.

THE HON. SIR JWALA PRASAD SRIVASTAVA : I was surprised that nobody seems to be keen to get that land under cultivation. I went myself to Shillong at a time when the Saadulla Ministry was there, and I offered them every kind of help. I even said I would send them labourers from the U. P. But the land is very malarious and it is not so easy. It has got to be cleared. There is a lot of jungle. I have flown over it and I have seen it. It was not the responsibility of the Government of India anyway. We were keen that that land should be brought under cultivation and I wanted to do what I could in the matter. But it was the Assam Government itself that never got a move on and, for some reason—I do not know whether it was inter-provincial jealousy or what else—they never got a move on. Sir, I now turn to the able speech of my friend Sir Gopalaswami Ayyangar. He has complained that I have not supplied relevant information in regard to the current food position. Sir, I have looked up my speech and feel that I have given as much as I could. It may be that my speech was short of statistics but at a time like this statistics are of little use. They keep on changing from day to day. That is my experience, but if he wants statistics we shall give them to him. I have not wasted a lot of breath on the long-term aspect. I only dealt with it because I thought it was necessary to do so in order that the House may know what the background of our policy is. I will briefly summarize what we have done and now, Sir, there I am not indulging in any self-praise and I am not being egotistic , but what we have done, again it is not the 1st person singular who has done ; I say " we " the Department have done since that emergency has made itself felt.

We have tightened up and extended rationing– that is No. 1.

No. 2 : We have tightened up the Food Control Orders and they are being enforced with greater rigidity. We are thinking of increasing the minimum penalty.

No. 3 : We have taken up with all the provinces the question of improving their procurement machinery. The question of levy system, as I stated in my speech, is being discussed with certain Governments which have not seen their way to take it up so far.

No. 4 : We have stopped all exports of foodstuffs of any kind. Even food parcels of any kind, even the exports of ground-nuts, have been stopped.

No. 5 : We have done our best to secure as large a volume of imports as possible.

THE HON. SIR N. GOPALASWAMI AYYANGAR : How much ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : Well, I am coming to that later, but by sending this Delegation and by using every kind of weapon that we have tried to secure whatever we can from outside.

No. 6 : Now we have encouraged the growth and we have got a regular drive on the growth of short-term crops. We have tried to maintain the prices which is very important in times of scarcity.

No. 7 : We have secured the full co-operation of the Army in numerous measures which I related yesterday. One member here suggested after my speech that we should ask the Commander-in-Chief to give us his help. Perhaps the speech was preconceived.

[Sir Jwala Prasad Srivastava]

No. 8 : Sir, we have got the Indian States in a line. There has been a Conference between the Department and the Princes and they have agreed to fall into line with us and they have issued orders that the steps which we are adopting should be adopted in their territories too.

No. 9 : We have mobilised transport to the largest extent possible. When we start getting the imports in, it must be realised that we shall need all the transport that we can lay our hands on.

No. 10 : Sir, with a view not to keep anything from the public, we hold weekly Press Conferences and we tell the Press what the chief events of the week have been in connection with food.

No. 11 : Sir, we have a Relief Co-ordination Committee consisting of the Secretaries of all Departments of the Government of India working at the Centre. This Committee meets once a week and discusses all matters concerning food supply and relief measures and important decisions are taken which bind all the Departments of the Government of India. So that I can claim that it is not only the Food Department that is tackling the food problem just now but it is the Government of India as a whole.

No. 12 : We have tried our best to enlist popular support. We have gone out of our way to do that and nobody can blame us that we have fallen short on that score. We may have failed to secure some of that support but we have done our best.

No. 13 : Then, Sir, we are doing a lot to increase the supply of protective foods like milk, eggs and poultry and fish and other things of that kind.

Sir, I do not know what more can be done. If there is anything which we have failed to do so far I should be very glad to have any definite concrete suggestions——

THE HON. PANDIT HIRDAY NATH KUNZRU : Organise the milk distribution in towns.

THE HON. SIR JWALA PRASAD SRIVASTAVA : I am coming to that in a minute.

Now, Sir, two days ago here we held a Conference of the Indian Red Cross, Marwari Relief Society, Friends' Ambulance Unit, Rama Krishna Mission, the W. V. S. and the Indian Women's Civil Corps of Madras, and they discussed measures to protect the vulnerable classes in the scarcity areas. This conference was attended by various officials of the Government of India and the background of the food situation was given to the representatives of these bodies. In this conference we stressed the question of milk distribution, and we told them that we had approached the Combined Food Board for 10,250 tons of milk powder. Sir, the question of milk supply is engaging our most serious attention. But the difficulties in the way are well known and I need not go into them.

I do not think I have got much more to say, except on a point made by my Hon. friend Sir Gopalaswami Ayyangar about the approach made by His Excellency the Viceroy to Mahatma Gandhi and Mr. Jinnah. That was done with my full concurrence ; and there was no idea of giving the committee plenary powers; it was to be an advisory committee. What appeared in the press was obviously wrong. It is not that the Food Department has been put aside, as Sir Gopalaswami put it, but we felt that in an emergency like this the co-operation of the country's leaders would be extremely useful.

THE HON. MR. HOSSAIN IMAM : Will the Hon. Member also explain the purpose of the committee of 14 ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : The same purpose. That was one suggestion, and the second suggestion was to have a small committee. There were two suggestions. Somebody suggested that 14 was too many and it should be four.

THE HON. MR. HOSSAIN IMAM : Did the proposal come from the leaders or was it made by the Hon. Member himself ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : I would not like to go into all that here. But these were the two proposals.

THE HON. MR. HOSSAIN IMAM : No one is prepared to father it ?

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY : The Hon. Member has not told the House whether he is willing to consider the suggestion which I have made about increasing the ration of domestic servants, menials, sweepers, peons, etc.

THE HON. MR. HOSSAIN IMAM : We all join in it.

THE HON. SIR JWALA PRASAD SRIVASTAVA : That is a question I am prepared to examine as soon as I can, but with the supplies which we have available at the moment, it is difficult. But I did consider it and we had to give up the idea as we thought that the heavy manual worker alone is just now entitled to the extra 4 oz. But I appreciate the force of the remark of my Hon. friend and I will look into it and see what can be done.

Now, Sir, with regard to imports, I have already stated the position in my opening address. There are still talks going on. The Delegation has not finished its labours. But I hope that within a very few days we shall have news as to what we are going to get. As my Hon. friend Sir Gopalaswami has pointed out, we are likely to get a substantial quantity of wheat. As regards rice, the position in Siam is a little difficult at the moment. I have this morning sent one of our Joint Secretaries to Singapore, and the whole matter is under active consideration and examination As my Hon. friend probably knows, Lord Killearn has just taken over in Singapore ; and one of his principal jobs is to deal with the food situation in South East Asia. We have got now to deal with him. The difficulty in Siam just now is procurement. India is prepared to pay a price for the rice, though, according to the Treaty, that rice is to go to the Combined Food Board as reparations rice free of charge. But I have made it plain that India is prepared to pay for that rice if we can get it in time.

THE HON. SIR N. GOPALASWAMI AYYANGAR : Is it not the London Food Council's business rather than the Combined Food Board's ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : No, it is the Combined Food Board's business.

THE HON. SIR N. GOPALASWAMI AYYANGAR : I thought it was a British Empire business. I thought we got 1,500,000 tons as the British share of the reparations.

THE HON. SIR JWALA PRASAD SRIVASTAVA : According to the Treaty the disposal of it rests with the Combined Food Board in Washington.

THE HON. PANDIT HIRDAY NATH KUNZRU : The amount of the surplus is yet to be decided by the committee that has been set up to consider this question. But may I know whether the British Government have allowed India to purchase rice in Siam ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : Not yet. They have themselves not purchased yet, as far as I know. Negotiations are still going on as regards the terms of the Treaty and so on. I have a man of the Food Department sitting in Bangkok for the last six weeks, and I have sent another Joint Secretary to Singapore. A conference is being called there in a day or two, and perhaps there will be another conference in April, which I might myself attend.

THE HON. SIR DAVID DEVADOSS : By that time people here will die.

THE HON. SIR JWALA PRASAD SRIVASTAVA : I hope not.

THE HON. SIR N. GOPALASWAMI AYYANGAR : Are we getting any millets from the Argentine ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : Yes, Sir ; we are trying to get a quantity from the Argentine.

THE HON. SAIYED MOHAMED PADSHAH SAHIB BAHADUR : Is the shipping position easier now than it was previously ? A very considerable amount of help that was promised from abroad could not reach India on account of the difficult shipping position. Is it easier now ? Would you be able to get all the supplies that were promised to us from abroad ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : I am aware of it. We are trying to do what we can.

Sir, it may interest the House to know that we have extended an invitation to Mr. Hoover, who may come to India shortly. He has not yet said yes definitely, but I think he will be of great assistance to us in settling the Siam rice business.

THE HON. SIR DAVID DEVADOSS : What about Australia ? Australia has promised a lot of rice.

AN HON. MEMBER : Wheat.

THE HON. SIR DAVID DEVADOSS : Rice also.

THE HON. SIR JWALA PRASAD SRIVASTAVA : I do not know about rice.

Then, Sir, one or two speakers—I do not think they have done it seriously—have suggested that all controls must go.

THE HON. SIR DAVID DEVADOSS : We were quite serious.

THE HON. SIR JWALA PRASAD SRIVASTAVA : I refuse to believe they could be serious, at a time like this. It is an extraordinary statement to make. I would say that the removal of controls in conditions of scarcity like the present, when demand exceeds supply, would only result in black marketing, hoarding, prices shooting up——

THE HON. SIR DAVID DEVADOSS : There would be no corruption. That is what stands in the way.

THE HON. SIR JWALA PRASAD SRIVASTAVA :——and it would bring in chaos which overtook Bengal in 1943.

I maintain, Sir, that a good deal of trouble was at any rate due to free trade which was introduced in Bengal for 4 months in that region and I do not think, Sir, this is the time to give up the controls. If we give up the controls, then we give up Government's responsibility to feed the people, which of course nobody wants to be done at a time like this. Sir, it may interest the House to know also that we are setting up a Co-ordination Committee at Bangalore consisting of the Advisers and Ministers from Madras, Bombay and Mysore to deal on the spot with all matters concerning the scarcity in those areas. I think that would lead to a good deal of co-operation between these three areas.

Sir, I have nothing more to say except to thank the House for the consideration which they have given us and I hope that they will continue to support us over the very difficult task that we have in hand. I would have dealt with one or two other points which were made by one or two speakers concerning the Agriculture Department, but as time is now late, I prefer not to do so. They are not points of any great consequence. I thank the House once again. The Government have no objection to the amendment proposed.

THE HON. SIR MAHOMED USMAN (Leader of the House) : Sir, just a word about the amendment. As I said this morning, Government are opposed to the amendment of the Hon. Mr. Thirumala Row. The Hon. the Food Member sees no objection to accepting the amendment moved by the Hon. Mr. Motilal and therefore the Government will be neutral, leaving the issue to be decided by the non-official members, both elected and nominated.

Just one word, Sir, about what the Hon. Sir N. Gopalaswami Ayyangar said. In his speech he practically found fault with the Viceroy for not responding to Mr. Gandhi's suggestion to form a responsible Government at the centre——

THE HON. SIR N. GOPALASWAMI AYYANGAR : I did not say that.

THE HON. SIR MAHOMED USMAN : You said some such thing. The whole world knows.

THE HON. SIR N. GOPALASWAMI AYYANGAR : I only said that Mahatma Gandhi suggested this.

THE HON. SIR MAHOMED USMAN : The whole world knows the difficulties. The two main Parties won't come together on that question. The Muslim League is opposing it. The Viceroy, therefore, could not be blamed. The Cabinet Mission is coming to tackle that question.

THE HON. THE PRESIDENT : Hon. Mr. Thirumala Row, I understand you are agreeable to withdraw your amendment in favour of the Hon. Mr. Motilal's amendment.

THE HON. MR. M. THIRUMALA ROW : Yes, Sir.

THE HON. THE PRESIDENT : I will first ask the leave of the Council to allow Mr. Thirumala Row to withdraw his amendment.

The amendment was, by leave of the Council, withdrawn.

THE HON. THE PRESIDENT : I shall now place the original proposition and the amendment before the House.

The Motion is :

"That the food situation in India be taken into consideration and after having considered the situation in all its aspects this House is of the opinion that an early setting up of a National Government at the Centre, composed of popular representatives of the Congress, the Muslim League and other important interests, will greatly help in the solution of the food situation."

The Motion was adopted.

The Council then adjourned till Eleven of the Clock on Tuesday, the 26th March, 1946.

ANNEXURE A

STATEMENT SHOWING THE LOANS AND GRANTS SANCTIONED TO PROVINCIAL/STATE GOVERNMENTS FOR GROW MORE FOOD SCHEMES OUT OF THE CENTRAL REVENUES AND COTTON FUND DURING 1943-44, 1944-45 AND 1945-46 AND THE AMOUNTS SPENT BY THE PROVINCIAL/STATE GOVERNMENTS.

Serial No.	Name of Province	1943-44			1944-45			1945-46 (up to 31-1-46)	
		Amount sanctioned		Actual	Amount sanctioned		Final	Amount sanctioned	
		Loan	Grant	Expenditure of grant	Loan	Grant	Estimates	Loan	Grant
1	Ajmer-Merwara	...	99,185	13,741	2,34,250	92,012	30,422	3,66,700	2,60,458
2	Assam	9,01,867	4,02,585	3,32,190	10,86,100	4,83,731	4,83,800	13,08,455	12,14,448
3	Baluchistan	...	10,376	3,968	1,66,400	1,81,879	1,29,265	10,64,700	8,99,135
4	Bengal	62,15,000	12,84,184	4,87,120	23,15,000	14,74,313	5,96,177	41,40,500	23,46,623
5	Bihar	...	9,67,152	1,58,152	9,64,000	14,37,970	9,72,248	...	16,72,937
6	Bombay	3,00,000	8,61,771	2,42,686	6,00,000	40,46,028	15,20,483	8,22,500	46,03,660
7	C. P. and Berar	39,50,000	17,20,500	3,17,407	31,68,970	6,70,826	6,62,935	41,35,782	8,32,220
8	Coorg	...	48,450	19,321	...	65,930	18,490	...	1,44,350
9	Delhi	...	...	10,629	54,000	...	...	10,000	1,95,223
10	Madras	45,00,000	4,13,666	3,17,400	16,25,000	35,75,406	25,04,771	45,62,500	16,05,638
11	N. W. F. P.	...	1,07,500	32,102	12,59,300	11,12,342	6,09,041	14,31,000	3,83,079
12	Orissa	5,77,300	1,73,650	1,39,526	14,67,600	9,56,241	7,34,284	21,70,147	13,20,680
13	Punjab	...	3,00,000	67,390	...	15,70,860	2,48,230	...	2,98,955
14	Sind	...	4,85,335	52,679	...	78,000	69,300	...	2,32,775
15	United Provinces	...	9,37,200	86,166	...	27,57,290	3,74,543	...	11,42,790
16	I. C. A. R.	...	1,31,600	1,31,600	...	3,02,826	2,85,576	...	4,09,790
17	Baroda State	...	4,93,500 (cotton fund)	...	...	7,19,250	...	...	...
18	Kashmir State	...	16,800	16,800	...	...	...	...	17,025
19	Kutch State	...	8,677	...	...	...	...	...	...
20	Other States	...	...	...	...	16,698 (Charkhari & Rampur States)	...	...	2,61,246 (Faridkot, Jasdan, Jaora, Ratlam, Sirmor, Travancore and Wankaner (States).
	Total	1,64,44,167	84,62,131	24,28,877	1,29,40,620	1,95,35,602	92,39,567	2,00,02,284	1,78,41,068

ANNEXURE A—*contd.*

Statement showing the Distribution of Oilcakes by Provincial Governments during 1944-45 and 1945-46 (up to 30th September 1945)

Name of Province	Quantity distributed during 1944-45 (in tons)	Rate of subsidy	Quantity distributed 1945-46 upto 30th September 1945 (in tons)	Rate of subsidy and Remarks
		Per cent.		
1. Ajmer Merwara .	11	100	..	..
2. Assam . . .	748	25	..	..
3. Bengal . . .	1,429	20	75 tons upto 30th June 1945.	Loans advanced to cultivators.
4. Bihar . . .	4,571	30	..	Information awaited.
5. Bombay . .	37,106	12½	..	Do.
6. C. P. . . .	5,531	25	8,700	25%
7. Madras . . .	56,445	10	..	Information awaited.
8. Orissa . . .	1,346	45	444	Loan advanced to cultivators.
9. Punjab . . .	..	..	..	Information awaited.
10. U. P. . . .	14,200	20	418	25%
	1,21,387		9,637	

Statement showing the distribution of compost by Provincial Governments under Town Refuse Compost Schemes up to 30th September 1945

	Name of Province	Quantity distributed upto 30th September 1945. Cubic ft.
1.	Ajmer Merwara	26,195
2.	Baluchistan	64,000
3.	Bengal	95,250
4.	Bihar	55,670
5.	Bombay	7,54,430
6.	Central Provinces	4,42,400
7.	Madras	18,61,654
8.	Orissa	22,270
		(upto 30 1945).
9.	Punjab	3,62,770
10.	Sind	1,20,480
11.	United Provinces	14,25,270
	Total .	52,30,389

Statement showing the distribution of compost by Provincial Governments under Village Compost Schemes.

Name of Province	Quantity distributed
1. Ajmer Merwara	
2. Bengal . .	15,000 tons (up to 30th June 1945.)
3. Bombay . .	7,725 tons (upto 30th September 1945) (under one of the two schemes sanctioned, information regarding the other schemes awaited).
4. Orissa . .	90 tons upto 30th June 1945.
5. U. P. . .	45,560 tons upto 30th September 1945—Co-operative Village Scheme 15,000 tons upto 31st March 1945—Individual Compost Scheme.
	183,375 tons.

ANNEXURE A—*concld.*

Description of Machinery so far received	Number Received	Number Distributed upto-date	Distribution	Number still in hand	Remarks
1. *Wheel Tractors with implements* (2 Oliver KD Model '80' 5 case Model 'LA' 9 IHC Model W-4, 6 Deere Model 'A').	22	22	3 to U. P. 4 to Punjab 4 to Bhopal 3 to Madras 1 to Orissa. 1 to Bengal. 2 to Chief Aerodrome officer, Karachi. 1 to D. D. R., Bangalore. 3 to Army	Nil	
2. Crawler Tractors .	102	77	38 to Bombay . 6 to Baluchistan 5 to Bihar 4 to Madras 1 to Sind 8 to U. P. 4 to Army 2 to I. A. R. I. 2 to Baroda State 1 to Bundi State 2 to Mysore State 4 for Central Schemes.	25	The 25 Crawlers still in hand have been received recently and are to be sent to Provincial Governments against their outstanding indents.
3. Mould Board Plows .	25	25	20 to Bombay . 3 to Baluchistan 2 to Baroda	Nil	..
4. Panbreakers, Killefer Model 20A.	18	2	2 to Bombay .	16	These were intended for C. P. who subsequently cancelled their indent. They are now proposed to be distributed to such Provinces and States as may require them.
5. Subsoil Ploughs Ransomes Model CIE.	4	2	2 to Bombay	2	Ditto.
6. Cream Separators .	500			500	100 are against firm orders from Govt. of C. P. Remaining 400 are for distribution to other Provincial Govts. and States and such private parties whom the local authorities may recommend.

COUNCIL OF STATE

Tuesday, 26th March, 1946

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

QUESTIONS AND ANSWERS

CIVIL AND MILITARY PERSONNEL THROWN OUT OF EMPLOYMENT DUE TO THE TERMINATION OF THE WAR

193. THE HON. MR. G. S. MOTILAL : What is the number of persons disengaged from the military and civil services on account of the termination of war ?

THE HON. MR. H. C. PRIOR : The information is not readily available and is being collected. This will take sometime, particularly in respect of the Civil Services. I shall communicate again with the Hon. Member and will let him have the information that becomes available.

TRIAL OF FLIGHT-LIEUT. GIRADET BY SPECIAL COURT MARTIAL

194. THE HON. MR. SURPUT SINGH : Will Government state :

(*a*) Whether one Flt.-Lieut. Giradet, Co-pilot of Admiral Mountbatten's aircraft was tried by a special court martial for carrying gold worth Rs. 1,40,000 in a service aircraft ?

(*b*) Whether his trial by the special court martial was for some offence against military law or discipline ?

(*c*) Whether the findings and decision of the special court martial have resulted in his acquittal ?

(*d*) Whether the trial by the special court martial lasted for 4 days ?

(*e*) If so, the reasons for such long drawn proceedings in that court ?

(*f*) Whether a copy of the findings and decision will be available to the House ?

(*g*) Whether he was subsequently tried by a criminal court at Karachi for carrying Rs. 1,40,000 worth of gold without licence and thus cheating the Customs Department ?

(*h*) If so, the finding of that court and the nature of sentence passed against him ?

(*i*) Whether the quantity of gold which formed the subject matter of the offence was returned to the offender and a fine equal to the value of the gold was imposed upon him instead ?

(*j*) Whether cases of such carriage of gold without licence by military personnel have come to their notice from time to time ?

(*k*) Whether the law prescribed forfeiture of the gold unlawfully carried ?

THE HON. SIR CYRIL JONES : (*a*) and (*b*). Flt.-Lieut. Giradet was tried before a special court martial for attempting to take out of India in a service aircraft gold worth about Rs. 1,40,000 on the ground that such action amounted to conduct to the prejudice of good order and Air Force discipline.

(*c*) and (*d*). Yes.

(*e*) and (*f*). The court martial in question was convened by Headquarters Air Command, South East Asia, which is directly controlled by the Air Ministry. The reasons for the length of the proceedings are not known and it is not possible to make a copy of the findings and decisions available to the House.

(*g*) No, he was not tried by a Criminal Court but the case was dealt with by the Collector of Customs, Karachi, in exercise of the powers vested in him by the Sea Customs Act, 1878.

(*h*) The Collector of Customs, Karachi, found that an offence of attempting to export gold out of India in contravention of rule 90B of the Defence of India Rules had been committed and, therefore, confiscated the gold under section 167(8) of the Sea Customs Act, fixing in lieu of confiscation a fine of Rs. 1,50,000.

(*i*) Yes, the gold was returned to Flt.-Lieut. Giradet on payment of the fine which was approximately equal to the value of the gold.

(*j*) On a previous occasion an officer of the R. A. F., seconded for service with the B. O. A. C., was involved in the smuggling of gold out of India and similar action under the provisions of the Sea Customs Act was taken by the Collector of Customs, Karachi, at that time.

(*k*) Yes, sub-rule (3) of rule 90B of the Defence of India Rules attracts the provisions of the Sea Customs Act and section 167(8) of the Sea Customs Act read with section 183, *ibid* provides for the confiscation of the offending gold and for the fixing of fine in lieu of confiscation.

THE HON. PANDIT HIRDAY NATH KUNZRU : Why was Flt.-Lieut. Giradet not prosecuted for contravening the law ?

THE HON. SIR CYRIL JONES : Because action was taken as provided for in the Sea Customs Act by the Collector of Karachi.

THE HON. PANDIT HIRDAY NATH KUNZRU : Does that prevent the Government from prosecuting this officer?

THE HON. SIR CYRIL JONES : I do not quite understand what the Hon. Member's question is. But he will realise that this officer had already been tried by court martial and acquitted.

THE HON. PANDIT HIRDAY NATH KUNZRU : Will the Hon. Member tell us on what grounds the court martial acquitted him ?

THE HON. SIR CYRIL JONES : I have answered that in my reply to parts (*e*) and (*f*) of the question, Sir.

THE HON. PANDIT HIRDAY NATH KUNZRU : We do not know what the findings of the Court were and this officer was tried before the court martial only on grounds of discipline and so on. How could the Government consider themselves debarred from prosecuting this officer for the criminal conduct of which he had been guilty ?

(No answer.)

PAID-UP CAPITAL AND RESERVES OF INDIAN COMPANIES

195. **FLIGHT-LIEUT. THE HON. RUP CHAND :** Will Government state the total number of Indian joint stock companies in India on December, 31, 1945 (or on the latest date for which figures are available) with paid-up Capital and Reserves of—

(*i*) less than Rs. 1 lac,

(*ii*) over Rs. 1 lac and less than Rs. 5 lacs,

(*iii*) over Rs. 5 lacs but less than Rs. 10 lacs,

(*iv*) over Rs. 10 lacs but less than Rs. 25 lacs,

(*v*) over Rs. 25 lacs but less than Rs. 50 lacs,

(*vi*) over Rs. 50 lacs but less than Rs. 1 crore,

(*vii*) Rs. 1 crore and over,

THE HON. MR. Y. N. SUKTHANKAR : The information asked for is not readily available and the time and labour involved in its collection would not be commensurate with the value of the results. The attention of the Hon. Member is, however, invited to the annual publication entitled *Joint Stock Companies in British India and in the Indian States, etc.*, published by the Department of Commercial Intelligence and Statistics. Copies of this publication are in the Library.

IMPORT AND EXPORT OF RICE, WHEAT AND WHEAT FLOUR

196. FLIGHT-LIEUT. THE HON. RUP CHAND : Will Government state the quantity and value of rice, wheat and wheat flour imported into, and exported from, British India during the calendar years 1944 and 1945—

(*i*) on private account,

(*ii*) on military account;

(*iii*) on Government account ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : A statement showing the quantity and value of rice, wheat and wheat flour imported into, and exported from, British India on civil account, during the years 1944 and 1945 is placed on the table of the House. Apart from small quantities allowed as ship stores, for certain stations on the passenger air line routes, and gift parcels, and 500 tons of wheat products allowed to be exported to Saudi Arabia as a free gift by Sind Muslims for relief of distress in the Hedjaz, all exports have been on a Government account.

Figures regarding exports on Defence account are being collected.

All imports have been on Government account.

Statement showing quantities of wheat, wheat products and rice exported from India during the calendar years 1944 and 1945, on civil account, and imports into India during the same period.

—	1944 (January to December)						1945 (January to December)					
	Wheat		Wheat, Flour and Atta		Rice		Wheat		Wheat, Flour and Atta		Rice	
	Quantity (in tons)	Value	Quantity (in tons)	Value	Quantity (in tons)	Value	Quantity (in tons)	Value	Quantity (in tons)	Value	Quantity (in tons)	Value
1	2	3	4	5	6	7	8	9	10	11	12	13
I.—EXPORTS												
—	1,000	2·46 lakhs	767	2·46 lakhs	49	0·29 lakhs.	500	1·20 lakhs	1,219	3·68 lakhs	53,023	204·75 lakhs
II.—IMPORTS												
On Civil and Defence Accounts together.	563,018	11·9 crores	51·643	1·15 crores	4,500	0·15 crores	787,562	17·3(a) crores	10,739	0·24 crores	52,434	N. A.

(a) Does not include the cost of free gift of 100,000 tons from Canada.
N. A.—Not available.
Note 1.—Figures for the month of December 1945 are provisional.
Note 2.—Figures of value represent only estimates.

ENTRY OF INDIANS INTO BURMA

197. THE HON. RAJA YUVERAJ DUTTA SINGH : (*a*) Is it necessary under the constitution for an Indian who wanted to proceed from India to Burma, or wanted to return from that country to India, to take permission of any Government to do so ?

(*b*) Is it a fact that the Government of India have given the power of veto to the Government of Burma in the free movements of Indians between the two countries? If so, why?

(*c*) Is it a fact that the representatives of British commercial and other interests can go to Burma as and when they like but even those Indians who have got their lands, residential and commercial property, and other interests in Burma, cannot do so, unless they are given express permission to enter Burma ? If so, why this discrimination ? What steps have been taken or are proposed to be taken to ensure the free and unrestricted movement of Indians between India and Burma, and to remove the discrimination obtaining at present ?

THE HON. DR. N. B. KHARE : (*a*) No. Under the Government of India Notification of the 21st July, 1941, the emigration of unskilled Indian labourers is banned. Therefore all persons desirous of proceeding to Burma had to obtain a certificate from the Protector of Emigrants of the Port of embarkation that they were not unskilled labourers.

(*b*) No ; but owing to abnormal conditions in Burma, the shortage of shipping space and the difficulties regarding internal transport and accommodation in Burma, the Government of Burma are consulted for allowing persons to go to Burma. This previous reference to the Government of Burma is nothing but administrative consultation with that Government. As conditions become more and more normal, previous reference to that Government would, of course, cease to be necessary. The Government of India have also been able to secure a limited number of passages for civilians and are making every effort to utilise such passages to send evacuee businessmen, replacements of business concerns in Burma, landlords and property owners and some urgent cases on compassionate grounds. It has not been found possible to make the maximum use of these passages as applicants do not give sufficient details to enable Government to allot passages and require longer notice of sailings than what the Army can give.

(*c*) Government's information is that no special facilities are being provided to representatives of British interests as such to proceed to Burma. The Government of Burma has given us an assurance that care is being taken in this matter to ensure that competing interests do not obtain advantage over one another.

THE HON. MR. M. THIRUMALA ROW : With regard to part (*b*), have the Government of Burma prevented the entry of Pandit Jawahar Lal Nehru into Burma in concurrence or in consultation with the Government of India ?

THE HON. DR. N. B. KHARE : I have not got the information with me.

THE HON. MR. M. THIRUMALA ROW : You have said that no particular veto is exercised by the Burma Government but newspapers tell us that veto has been exercised against his landing in Burma. Is the Government of India aware of that, or have they been consulted perviously ?

THE HON. DR. N. B. KHARE : I must ask for notice of this question.

THE HON. PANDIT HIRDAY NATH KUNZRU : What happens in cases where there is a difference of opinion between the Government of India and the Burma Government with regard to a man who wants to go back to Burma, an evacuee who wants to go back to Burma ?

THE HON. DR. N. B. KHARE : Well, cases of this nature have not arisen to my knowledge and therefore I am not in a position to give any answer at this moment.

THE HON. PANDIT HIRDAY NATH KUNZRU : But what is the position under the rules or under the law ?

THE HON. DR. N. B. KHARE : Under the law there is no restriction.

THE HON. PANDIT HIRDAY NATH KUNZRU : But in practice since the Burma Government want to prevent the sudden entry of a large number of people into Burma do they not exercise the right of preventing any particular person also from going there ?

THE HON. DR. N. B. KHARE : No, Sir, I do not think so.

THE HON. PANDIT HIRDAY NATH KUNZRU : Then how do they keep a man out if they have no power to keep him out ? Do they keep him out after consulting with the Government of India or anybody else ?

THE HON. DR. N. B. KHARE : This is done in the interests of the evacuees themselves, so that they should not be put to any avoidable hardship.

THE HON. PANDIT HIRDAY NATH KUNZRU : But under what law do they act ?

THE HON. DR. N. B. KHARE : It is not law ; it is administrative consultation. Under the law there is no restriction.

THE HON. PANDIT HIRDAY NATH KUNZRU : But can a man get a passage for Burma without the sanction of the Burma Government ?

THE HON. DR. N. B. KHARE : Not without previous consultation. Sanction is not required.

THE HON. PANDIT HIRDAY NATH KUNZRU : Previous consultation with whom ? Is a permit required or not ?

THE HON. DR. N. B. KHARE : With the Government of Burma, of course.

THE HON. PANDIT HIRDAY NATH KUNZRU : Is a permit required from Burma Government or not ?

THE HON. DR. N. B. KHARE : No permit is required.

THE HON. PANDIT HIRDAY NATH KUNZRU : It is required.

THE HON. DR. N. B. KHARE : In so far that the person is not an unskilled labourer.

THE HON. PANDIT HIRDAY NATH KUNZRU : I understand that permits are required at the present moment.

THE HON. DR. N. B. KHARE : I have no such information.

PLACING OF GRIEVANCES OF INDIANS IN SOUTH AFRICAN BEFORE THE UNITED NATIONS ASSEMBLY

198. THE HON. RAJA YUVERAJ DUTTA SINGH : Will Government state why they took no steps to bring before the United Nations Assembly the subject of the discriminatory legislation, which are being passed against the Indians in South Africa, and other kindred matters adversely affecting them ?

THE HON. DR. N. B. KHARE : The Government are examining the question whether the matter can be placed before the United Nations Assembly.

REPATRIATION OF INDIANS FROM BURMA AND MALAYA

199. THE HON. PANDIT HIRDAY NATH KUNZRU : (*a*) Is it a fact that any one willing to come to India from Burma and Malaya is required to obtain a permit to leave the country ?

(*b*) Has this arrangement been made at the instance of the Government of India or in agreement or consultation with them ? What is the purpose of this restriction ?

(c) Are Government aware that Indian labourers, thousands of whom want to return to India, are required to obtain such permits ? In view of the hardship caused by this requirement do Government propose to do away with such restriction ?

THE HON. DR. N. B. KHARE : (a) During the military administration of Burma, the antecedents of any Indian desiring to leave the country used to be scrutinised and he had to obtain a permit from the military authorities. This practice survived for some months even after the return of the civil Government. It has now been discontinued.

(b) The object of this precaution was to ensure, for purposes of internal security in India, that full information was made available regarding the antecedents of such persons. The Government of India did not object to the procedure.

(c) The requirement of permits has since been discontinued. Only applications for passages are being registered in order to facilitate determination of priority for purposes of passages.

THE HON. PANDIT HIRDAY NATH KUNZRU : With regard to part (a) of the question has the need for obtaining permits in order to leave the country been discontinued only in the case of Burma or of Malaya also ?

THE HON. DR. N. B. KHARE : I believe Malaya also.

THE HON. PANDIT HIRDAY NATH KUNZRU : When was it discontinued ?

THE HON. DR. N. B. KHARE : I have no information about the date but I gather that it is so. No permit is required now.

THE HON. PANDIT HIRDAY NATH KUNZRU : Till recently permits were required. For instance, when I was in Malaya—and I was there till the end of January—permits were required before a man could get an air passage or a sea passage for India.

THE HON. DR. N. B. KHARE : I believe that it is not so now.

THE HON. PANDIT HIRDAY NATH KUNZRU : Will the Hon. Member kindly enquire from what date the old practice has been discontinued ?

THE HON. DR. N. B. KHARE : I will enquire.

DR. GEORGE LEE

200. THE HON. RAJA YUVERAJ DUTTA SINGH : (a) Is it a fact that Government have declined to give permission for inclusion of Major George Muller Lee of the I. N. A. Medical Service, in the Congress Medical Mission to Malaya ? If so, why ?

(b) Are Government aware that Major Lee is domiciled in Siam and his wife and children are there, who are put to extreme economic hardship ?

(c) Why has Major Lee been refused permission to return to Siam ?

THE HON. MR. A. E. PORTER : (a) Government have received no formal application for his inclusion in the Mission but have decided not to agree to the inclusion therein of members of the Indian National Army since the local administration is likely to take exception to the entry of such persons into Malaya and this would tend to delay the visit of the Mission.

(b) I understand that Dr. Lee lived for some time in Siam but Government have no information regarding his family there.

(c) Doctor Lee has not been refused permission to return to Siam.

THE HON. PANDIT HIRDAY NATH KUNZRU : With regard to part (a) of the question on what ground do Government think that Major George Lee's return to Malaya is likely to be unacceptable to the Malayan Government ?

THE HON. MR. A. E. PORTER : On the ground that he was a member of the Indian National Army.

THE HON. PANDIT HIRDAY NATH KUNZRU : Are they anticipating the Malayan Government's decision or have they asked the Government of Malaya whether they would allow this man to go there for medical work ?

THE HON. MR. A. E. PORTER : Government have reason to believe that persons of that kind would not be welcomed in Malaya at present.

THE HON. PANDIT HIRDAY NATH KUNZRU : Have Government made enquiries ?

THE HON. MR. A. E. PORTER : Government have reasonable grounds for that belief, Sir.

THE HON. PANDIT HIRDAY NATH KUNZRU : What are those reasonable grounds ? Have they made any enquiries ?

THE HON. MR. A. E. PORTER : They have made enquiries. They have reasonable grounds for the belief that these people will not be welcome in Malaya.

THE HON. PANDIT HIRDAY NATH KUNZRU : Have the Malayan Government given no reply to their enquiries ?

THE HON. MR. A. E. PORTER : I doubt whether there is a Malayan Government. I believe there is a Military Administration. The Military Administration is not prepared to receive these people into Malaya at present.

RETURN OF INDIAN EVACUEES TO BURMA

201. THE HON. PANDIT HIRDAY NATH KUNZRU : Will Government state :

(*a*) The rules which Indian evacuees from Burma have to comply with in order to go back there ?

(*b*) Were the rules framed by the Burma Government with the consent of the Government of India ?

THE HON. DR. N. B. KHARE : (*a*) and (*b*). There is no formal bar to an Indian evacuee returning to Burma. In view, however, of the acute shortage of shipping and of the abnormal economic conditions prevailing in that country as a result of the war and the Japanese occupation it is considered desirable that the return of the evacuees should be gradual and planned. To this end, a scheme for the repatriation of Indians is being worked out in consultation with the Government of Burma.

THE HON. PANDIT HIRDAY NATH KUNZRU : With whom will the final decision with regard to the return of the evacuees rest ?

THE HON. DR. N. B. KHARE : With both.

RETURN OF INDIAN EVACUEES TO BURMA

202. THE HON. PANDIT HIRDAY NATH KUNZRU : Are Government aware that :

(*a*) Persons possessing property in Burma, and the sons and daughters of well-to-do Indians who remained in Burma during the period of the Japanese occupation are not allowed to return there without a permit from the Burma Government ?

(*b*) Does not the preamble to the Agreement establishing the UNRRA. contemplate the return of such evacuees to their homes as a matter of course ? If so, what steps do they propose to take to enable such persons to go back to Burma without the permission of the Burma Government ?

(*c*) Has any agreement been arrived at between the Governments of India and Burma with regard to the categories of Indian evacuees who should be allowed to return to Burma under the economic conditions prevailing there at present ?

(*d*) What is the number of Indian evacuees who have been able to return to Burma since its reoccupation by the British ?

THE HON. DR. N. B. KHARE : (*a*) I would invite the Hon. Member's attention to my reply to question No. 201. In view of the circumstances explained in that reply, priority for shipping accommodation is generally given to the class of persons whose return to Burma is considered essential for purposes of reconstruction and rehabiliation of that country. There is great shortage of accommodation and other essential facilities in Burma owing to the devastation caused by the war. Such shoratage was found to be most acute immediately after the return of the civil Government. It is for these reasons that the practice of making a previous reference to the Government of Burma has been adopted so far before Indians of this class can return to Burma. All available facilities are being provided for the return of such persons sponsored by the Government of India or the Government of Burma.

(*b*) and (*c*). The Government of Burma have agreed to the return of all evacuees ; but, in view of the difficulties explained, it is considered desirable that the return of the evacuees should be gradual and planned. This is also in the interest of the evacuees themselves. There is a genuine risk of their being stranded in Burma in case a very large number of Indians arrive there without any previous reference to the Government of Burma as regards the availability of accommodation and other facilities. Normal communications and law and order yet remain to be re-established in the interior. It is, therefore, necessary to invoke the aid of the Government of Burma for the provision of minimum facilities for the reception and reabsorption of evacuees. To this end, a scheme for the repatriation is being worked out in consultation with the Government of Burma. Certain general principles have been agreed with a view to determining priorities for repatriation. Generally, priorities are proposed to be given to such classes as are required urgently by the Government of Burma for purposes of reconstruction and rehabilitation of the country, to such evacuees who have no homes in India, to evacuees who have left property or assets behind in Burma and to commercial and professional classes. Evacuees belonging to the more well-to-do classes who do not require any assistance from the Government of Burma in regard to accommodation and other facilities are now being allowed to return more freely.

(*d*) A few thousand Indian evacuees have returned to Burma so far, but their precise number is not known.

THE HON. PANDIT HIRDAY NATH KUNZRU : With regard to the answer to part (*a*) of the question, why is the entry of Indians who were living in Burma before the war, who have resources of their own and who have got houses of their own there, been made dependent on obtaining a permit from the Burma Government ?

THE HON. DR. N. B. KHARE : As I have said, now they are allowed to go more freely, without any hindrance.

THE HON. PANDIT HIRDAY NATH KUNZRU : Will such people not be required to obtain permits in future ?

THE HON. DR. N. B. KHARE : I believe so.

INDIAN CIVIL SERVICE AND INDIAN POLICE

203. THE HON. MR. N. K. DAS : Will Government state :

(*a*) Whether out of the Secretary of State's services 95 posts in the Indian Civil Service and 44 posts in the Indian Police are scheduled to be filled in 1946, from amongst Indians with approved war service.

(*b*) Whether it is a fact, that out of these vacancies, 75 per cent. will go to candidates from the fighting services and 25 per cent. to civilian candidates with approved war service.

(*c*) What categories and classes of services connected with war departments, are recognised as " Approved War Service. "

(*d*) The method of recruitment for filling these vacancies in the I. C. S. and I. P.

(e) Whether recruitment to these services will be made on territorial basis; if not, why not ?

THE HON. MR. A. E. PORTER: (a) Yes.

(b) Yes.

(c) I lay on the table a statement showing the services recognised as "war service" for purposes of recruitment to reserved vacancies in the Indian Civil Service and the Indian Police to be filled by Indian candidates.

(d) Final selection will be made by the Federal Public Service Commission after all candidates have been tested by a selection board.

(e) No. These war reserved vacancies are being filled in accordance with the arrangements which existed before the suspension of recruitment, when selection to the Indian Civil Service was made on an all-India basis and to the Indian Police on a regional basis.

THE HON. MR. M. THIRUMALA ROW: With regard to (c), are any minimum educational qualifications insisted upon for these war service candidates before they are recruited in the service ?

THE HON. MR. A. E. PORTER: Yes.

THE HON. MR. M. THIRUMALA ROW: Which is the body which tests them to find out whether they are duly qualified ?

THE HON. MR. A. E. PORTER: The qualification is an educational one: it consists of a degree, or having passed some recognised examination.

THE HON. MR. N. K. DAS: Is not recruitment to the Indian Police made on a territorial or provincial basis ?

THE HON. MR. A. E. PORTER: Yes, Sir; it is.

THE HON. MR. M. THIRUMALA ROW: Are we to assume that the Adjournment Motion passed in the other House and the Resolution that was discussed in this House have no effect on the policy of Government with regard to this matter ?

(No reply.)

THE HON. MR. N. K. DAS: If recruitment to the I. P. is done on a territorial basis, why is not recruitment to the I. C. S. also done on the same basis ?

THE HON. MR. A. E. PORTER: I am afraid I have not correctly understood. Recruitment to the I. P. is on a territorial basis; recruitment to the I. C. S. is on an all-India basis. I understand the Hon. Member's question to be why they are not on the same basis. Is that the question ?

Services recognised as "War Service" for purposes of recruitment to war reserved vacancies in the Indian Civil Service and the Indian Police to be filled by Indian candidates

Whole-time service of any of the following kinds :—

(*i*) service of any kind in a unit or formation liable for service overseas or in any operational area;

(*ii*) service in India under military, munitions or stores authorities with a liability to serve overseas or in any operational area;

(*iii*) all other service involving subjection to Naval, Military or Air Force law;

(*iv*) a period of training with a military unit or formation involving liability to serve overseas or in any operational area;

(*v*) *Civil Defence Services*—

(1) Auxiliary Fire Service.

(2) Control and Report Service.

(3) Air Raid Wardens' Service.

(4) Fire Prevention Service.

(5) First Aid, Casualty and Ambulance Service.

(6) Rescue Service.

(7) Gas Identification Service.

(8) Decontamination Service.

(9) Messenger Service.

(10) Instructors Service (including the instructor staff of the Government of India Civil Defence Schools).

(11) Mortuary Service.

(12) Air Raid Precaution Depot Service.

(13) Members of the Air Raid Precaution Emergency Medical Services (Hospitals).

(14) Staff of the Civil Defence Ambulance Train No. 1.

(15) Technical Services under the Chief Adviser of Factories (A.R.P.).

(16) Staff of the Civil Defence Stores Depot, Calcutta.

(17) Staff of the Calcutta Office of the Director of Civil Camouflage.

(*vi*) any service connected with the prosecution of the war which a person is required to undertake by competent authority under provision of any law for the time being in force ;

(*vii*) service after 3rd September 1939 anywhere at sea on a merchantship sailing under the directions of an Allied Government as an officer, indentured apprentice or sea-man ;

(*viii*) service rendered in a civil capacity subsequent to his release from the Forces by an officer who volunteered and was selected for employment with the civil administration under Special India Army Order 12/S/44, dated the 27th March 1944, or under the A.F.O.(I) No. 138/44 ;

(*ix*) Any temporary Government service rendered in Assam or in Bengal to the east of Brahmaputra river.

THE HON. MR. N. K. DAS : Yes.

THE HON. MR. A. E. PORTER : I shall have to have notice of that question ; I cannot tell him off-hand.

INDIAN POLITICAL SERVICE

204. THE HON. MR. N. K. DAS : Will Government state :

(*a*) The total number of appointments now existing in the Indian Political Service ?

(*b*) The total number of appointments held by Indians in this service ?

THE HON. SIR MAHOMED USMAN : (*a*) 158 (including temporary appointments).

(*b*) 32 (including 15 officiating in the service).

THE HON. MR. M. THIRUMALA ROW : Are there Indian Deputy Secretaries or Indian Assistant Secretaries in this service ?

THE HON. SIR MAHOMED USMAN : I must ask for notice.

INDIAN CIVIL SERVICE AND INDIAN POLICE

205. THE HON. MR. N. K. DAS : Will Government state :

(*a*) The number of applications received so far from candidates seeking nomination to the I. C. S. and I. P. ?

(*b*) The number of applications received from Oriya candidates for the I. C. S. and I. P. ?

(*c*) In view of the fact that there are only two Oriyas in the whole cadre of I. C. S. recruited about 15 years back, do Government propose to give any special consideration to this grievance of the Oriyas and allot an adequate number of vacancies to Orissa ?

THE HON. MR. A. E. PORTER: (*a*) The number of applications so far received from "war service" candidates for recruitment to the Indian Civil Service and the Indian Police is as follows:

Europeans	879
Indians	5,193

(*b*) The information asked for is not available.

(*c*) The Government of India do not recruit to the Indian Civil Service and are therefore not in a position to allot vacancies in the service to Oriya-speaking natives of Orissa.

THE HON. MR. N. K. DAS: With regard to part (*b*), will the Hon. Member please make an attempt to find out how many applications for appointments in these services are from Oriya candidates?

THE HON. MR. A. E. PORTER: I think it would be a little unreasonable to ask that. No purpose would be served, so far as the I.C.S. is concerned, in making such a distinction; and, so far as the I. P. is concerned, I imagine that at some future date the candidates will have to be classified, at any rate by regions. At that stage I have no doubt that it might be possible to classify them according to their mother tongue also.

EXPORT OF RICE

206. THE HON. MR. SURPUT SINGH: Will Government state:

(*a*) Whether rice was was exported in large quantity during the second half of 1945; if the answer is in affirmative, the quantity in tons sent out during the third and fourth quarters of 1945 from the port of Calcutta?

(*b*) Whether their attention has been drawn to a recent statement made by the President, Marwari Chamber of Commerce, Calcutta (supported by figures from the Calcutta Customs Office), to the effect that a non-Indian firm exported very huge quantities of rice from Bengal from the port of Calcutta during the months of July, August and September 1945; if so, the name of the non-Indian firm?

(*c*) Whether Government gave the firm concerned the necessary permit for such export?

(*d*) Whether the bags seen in the docks in Calcutta fully loaded in the months of November and December 1945 and January 1946 contained rice or ground-nuts or both?

(*e*) The place to which those bags were exported?

(*f*) Whether all the rice exported in recent months from the port of Calcutta was done with the knowledge of the Bengal Civil Supply authorities?

THE HON. SIR JWALA PRASAD SRIVASTAVA: (*a*) 21,024 tons and 3,125 tons of rice were exported from Calcutta in the third and fourth quarters of 1945, respectively.

(*b*) Government have seen the statement alleging that 61,797 tons rice had been exported from Calcutta during the period May to October, 1945. Inquiries were made from the Export Trade Controller, Calcutta, which indicated that the above mentioned quantity included shipments of 42,000 tons of rice to Ceylon and 16,000 tons of rice to Mysore through Marmagoa. The former quantity was sent to Ceylon on a replacement basis and has since been made good by H. M. G. by imports. The total quantity accounted for is thus 58,000 tons. The balance of 4,000 tons is explained by the fact that the quantity sanctioned for loan to Ceylon was 46,000 tons of which only 42,000 tons was actually shipped.

The firm which exported the rice to Ceylon as Agents of the Ceylon Government was Messrs. Shaw Wallace & Co.

(*c*) Yes.

(*d*) and (*e*). It is not clear to which bags the Hon. Member is referring.

(*f*) Yes.

Mr. Harold V. Coes

207. The Hon. Mr. SURPUT SINGH : Will Government state :

(*a*) The object for which Mr. Harold V. Coes was invited from U. S. A. to come out as Consulting Engineer to the Government of India in the Planning and Development Department ?

(*b*) How long did he stay in this country ?

(*c*) What special matters formed the subject of his investigations ?

(*d*) Whether he has submitted any report of his investigations ; if so when that is expected to come ?

(*e*) Whether is it a fact that, before submission to the Government of India, he will make his report in consultation with Ford, Bacon & Davis Corporation, New York, the firm to which he belongs ?

(*f*) Why Mr. Coes was selected for that special work ?

Lt.-General the Hon. Sir THOMAS HUTTON : (*a*) and (*f*). Mr. Harold Coes is a senior member of Messrs. Ford, Bacon & Davis, a leading American firm of Consulting Engineers, whose services were engaged to advise the Industrial Plant and Machinery (Heavy) Panel, in technical matters in which they needed assistance. The firm have had considerable previous experience of the type of work on which the Panel is engaged.

(*b*) A little over three months.

(*c*) He investigated the possibilities of manufacturing heavy machinery in India.

(*d*) Mr. Coes has only recently completed his work and his final report is expected shortly. I invite the Hon. Member's attention to my reply to question No. 105 for the 28th February, 1946.

(*e*) The report will be sent to the Government of India by the Firm which was entrusted with the task.

Post and Telegraph Offices in Bihar

208. The Hon. Mr. SURPUT SINGH : Will Government state :

(*a*) Whether Government are aware that with the closing of the Combined Post and Telegraph Offices at Bhaptiahi and Ganpatganj in Bhagalpur District (Bihar Province) due to Kosi floods and thereafter for war economies, considerable inconveniences have resulted to the residents who had been served by them for so many years ?

(*b*) Whether the people of the localities as well as the zamindars of the neighbouring places have memorialised to Government for restoration of these Post and Telegraph Offices ?

(*c*) Whether the local people have offered to bear the costs of restoration of the telegraph lines for the Telegraph Offices ?

(*d*) Whether the postal authorities propose to take up the matter in order to restore the Telegraph offices at an early date.

The Hon. Sir MAHOMED USMAN : (*a*) Government are aware that the public have been inconvenienced by the closing of the telegraph branch of the two offices.

(*b*) Yes.

(*c*) The public of Ganpatganj agreed to bear only a portion of the cost of restoration of the telegraph branch of the Ganpatganj Telegraph Office. As regards Bhaptiahi, the matter is under consideration.

(*d*) The matter is already under examination.

MUSLIMS IN THE POSTS AND TELEGRAPHS DEPARTMENT

209. THE HON. MR. ABDOOL RAZAK HAJEE ABDOOL SUTTAR : Will Government state : (*a*) The number of Muslims employed in the first rank officers' grade of the All-India Posts & Telegraph Service ?

(*b*) The number of such Muslims employed as Postmaster General, Deputy Postmaster General and Assistant Postmaster General, province by province ?

(*c*) The number of Muslims and Hindus separately drawing more than Rs. 200 to Rs. 500 in Bengal and Assam Circle of the above service.

THE HON. SIR MAHOMED USMAN : (*a*) There is no grade in the Indian Posts and Telegraphs Department known as first rank officers' grade. Presumably, the Hon. Member requires information regarding Class I Officers in that Department. The number of Muslim officers working in Class I at the present time is 27.

(*b*) Officers of the Posts and Telegraphs Department are posted in the Directorate or in Postal Circles and not in provinces. No Muslim officer is at present working as a Postmaster General, but 9 are working as Deputy Postmasters General distributed as follows :—

Circle	*No.*
Bengal and Assam	2
Bihar and Orissa	1
Bombay	*Nil.*
Central	1
Madras	1
Punjab and N. W. F.	1
United Provinces	1
Sind and Baluchistan	*Nil*
Directorate	2

Assistant Postmasters-General are not Class I Officers.

(*c*) There is only one Class I Officer drawing between Rs. 200 and Rs. 500 per month and he is a Hindu.

MUSLIMS IN THE IMPERIAL CUSTOMS SERVICE

210. THE HON. MR. ABDOOL RAZAK HAJEE ABDOOL SUTTAR : (*a*) Will Government state the number of Muslim employed in the first rank of officers' service in the Indian Customs Department ?

(*b*) Will they also state the number of Muslims employed in the Income-tax Department in superior service holding posts as Commissioner and Deputy Commissioner of Income-tax ?

THE HON. SIR CYRIL JONES : (*a*) The Hon. Member presumably refers to the Imperial Customs Service. Five members of that service are Muslims.

(*b*) There is one Muslim holding a post of Commissioner. There are no posts called " Deputy Commissioner " in the Income-tax Department.

THE HON. KHAN BAHADUR KERAMAT ALI : As regards (*a*), what is the total number of officers ?

THE HON. SIR CYRIL JONES : Twenty-five, Sir.

MEMBERS OF THE SCHEDULE CASTES IN THE CENTRAL PUBLIC WORKS DEPARTMENT

211. THE HON. MR. M. L. DAS: Will Government state whether there is any Scheduled Caste man employed either as Superintendent or as Administrative Officer in the Central Public Works Department? If the answer be in the affirmative, will they state the name of the person so employed ? If the answer is in the negative, do they propose to take steps for securing representation of the Scheduled Castes in these posts ?

THE HON. MR. H. C. PRIOR: There is no member of the Scheduled Castes employed either as Administrative Officer or as Superintendent in the Central Public Works Department. The question of filling the post of Administrative Officer on a permanent basis is still under consideration. As regards Superintendents, these posts are filled by promotion and the orders regarding communal representation in the public services do not apply to vacancies which are filled by promotion. The question of reserving any of these appointments for members of the Schedule Castes or of other minority communities does not, therefore, arise.

ADMINISTRATIVE OFFICER IN THE CENTRAL PUBLIC WORKS DEPARTMENT

212. THE HON. MR. M. L. DAS: Is it a fact that the post of Administrative Officer in the Central Public Works Department is vacant at present ? If so, do Government propose to consider the claims of Scheduled Caste candidates while filling the post ?

THE HON. MR. H.C. PRIOR: No. The post has been termporarily filled but the question of filling it on a permanent basis is still under consideration.

INDIAN CIVIL SERVICE, INDIAN POLICE AND INDIAN POLITICAL SERVICE

213. THE HON. MR. M. L. DAS: (*a*) What is the total number of vacancies reserved for candidates with war services in the Indian Civil Service, Indian Police Service and Indian Political Service, respectively ?

(*b*) How many vacancies in each of the serivces mentioned in (*a*) are earmarked, for candidates belonging to Scheduled Castes ?

THE HON. MR. A. E. PORTER: (*a*) In the Indian Civil Service 217 vacancies and in the Indian Police 119 vacancies have been reserved for 'war service' candidates. No direct recruitment to the Indian Political Service is made but it is proposed to fill 29 vacancies in that Service by 'war service' candidates recruited to the Indian Civil Service.

(*b*) The Secretary of State has not reserved any vacancies in either service in favour of Scheduled Castes. As regards the Indian Police, to which recruitment is made on a regional basis, the initiative in ensuring communal and other reservations is placed upon the provinces. In respect of both the Indian Police and the Indian Civil Service the reservation of vacancies for Scheduled Caste candidates is at present under the consideration of Government in consultation with Provincial Governments.

INDIAN CIVIL SERVICE AND INDIAN POLICE

214. THE HON. MR. M. L. DAS: Is it a fact that some applications from some qualified Scheduled Caste candidates with war services for the Indian Civil Service and the Indian Police Service have been rejected by the Federal Public Service Commission on the ground that the candidates are over-age ? Do Government propose to consider the desirability of relaxing the age-limit in the case of Scheduled Caste war candidates in respect of the reserved vacancies as has been done for peace-time appointments ?

THE HON. MR. A. E. PORTER : There was no general relaxation of the maximum age-limit in respect of Scheduled Castes candidates for vacancies in the Indian Civil Service and the Indian Police before the war and the normal age-limits apply to candidates from the Scheduled Castes for war reserved vacancies in these services. If, however, duly qualified ' war service ' candidates from the Scheduled Castes within the normal age-limits are not forthcoming in sufficient numbers, the Central Government will consider the question of recommending a relaxation of the maximum age limit in favour of suitable candidates.

PROMOTION OF MEMBERS OF THE SCHEDULE CASTES IN THE CENTRAL PUBLIC WORKS DEPARTMENT

215. THE HON. MR. M. L. DAS : Will Government state :

(*a*) Whether it is a fact that in view of the paucity of duly qualified Scheduled Caste candidates with pass certificates from recognised institutions, in order to maintain the communal representation prescribed by the rules, deserving and competent Scheduled Caste work mistries have been appointed on the posts of Engineering subordinates on the strength of recommendation by the Executive Engineers in the Central Public Works Department ?

(*b*) Whether some posts of Engineering subordinates reserved for Scheduled Castes candidates are at present lying in the Central Public Works Department ?

(*c*) Whether it is a fact that some deserving and competent work mistries having sufficient practical experience as employees in the Central Works Department have been recommended by their Executive Engineers for the reserved posts mentioned in (*b*) ?

(*d*) If the answers to (*a*), (*b*) and (*c*) are in the affirmative will Government state why the reserved vacancies mentioned in (*b*) have not been filled by appointing the Scheduled Caste work mistries who have been recommended by their Executive Engineers ?

THE HON. MR. H. C. PRIOR : (*a*) Certain vacancies in the grade of subordinate were filled by promotion of deserving Scheduled Caste work mistries, but not with the object of adjusting the communal quota.

(*b*) Yes.

(*c*) Yes, two such nominations have bee n received.

(*d*) The question whether these vacancies should be filled by promotion or by direct recruitment is still under consideration.

RESOLUTION *RE* PAYMENT OF ALLOWANCES TO RELEASED POLITICAL PRISONERS—*contd.*

THE HON. THE PRESIDENT : The Council will now resume the debate on the first Resolution.

*THE HON. MR. G. S. MOTILAL : (Bombay : Non-Muhammadan) : I just want to say a few words, Sir. I am in perfect agreement with the spirit of this Resolution. I was told that some difficulties were pleaded by Government to the Resolution as it stands. As usual, Government pleaded constitutional difficulties in giving effect to the Resolution. But there are ways of meeting those difficulties and Government know them very well. These people do deserve the relief which this Resolution seeks and I say, Sir, that Government should do everything possible to see that the relief is brought to them.

THE HON. THE PRESIDENT : Will you please tell me if you have made any estimate of the cost which would be involved to Government in accepting this Resolution ?

THE HON. MR. G. S. MOTILAL : No, Sir, I have not made any estimate of the cost.

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* Not corrected by the Hon. Member.

THE HON. THE PRESIDENT : Can Mr. Porter give any information to me on the subject ?

THE HON. MR. A. E. PORTER : Not without inquiring, Sir.

*THE HON. SAIYED MOHAMED PADSHAH SAHIB BAHADUR (Madras : Muhammadan): Sir, I also support the Resolution. I do so on the short ground that these people who have been detained in custody have been cut off from their old moorings. They have practically lost touch with their profession. They have been practically weaned away from their family. It is necessary, just and fair that when they are set at liberty, they should be given something by way of helping them to find their fee. Whatever the cost, I think it is worth while that Government should give them this much-needed relief. Sir, I support the Resolution.

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces : Northern : Non-Muhammadan) : Sir, I should like to give this Resolution my moral support. It is true that the Resolution asks the Governor General in Council to direct the Provincial Governments to continue to pay State and Security prisoners in receipt of allowances before their release the same allowances for six months after their release. But it is clear that what is desired is a recommendation from the Central Government to the Provincial Government that people whose financial condition was such as to justify their being paid an allowance before their release should not be allowed to be stranded immediately after their release. Before their internment they might have been carrying on some business in a large or small way which might have been seriously affected by their inability to attend to it. If it is found that in certain cases a man is unable to maintain himself and his family because of the action taken against him by Government, then I think it is the moral duty of the Government to see that he and his family are not allowed to starve just because Government, without bringing them to trial, thought that their detention was necessary in the interests of law and order. My Hon. friend Mr. S. K. Das does not ask that every State and security prisoner should be given an allowance. All that he says is that people who were paid allowances while they were in detention should continue to receive them for a period of six months after their release in order to enable them to find adequate means of supporting themselves. I think, Sir, this is a very reasonable request. As my Hon. friend pointed out, the Bengal Government did this from 1937 to 1939. The Home Secretary told us the other day that the Bengal Government had considered the matter afresh some time ago and had come to the conclusion that the old practice should not be revived. He did not give us, however, the reasons on which the Government of Bengal based this conclusion. I do not think, Sir, that there can be any moral grounds which would justify the Government in refusing to help people of the class to which the Resolution refers. It is true that so far as the Central Government are concerned, there are only two persons whose cases can be covered by this Resolution. But I hope that they will not take a technical view of their responsibilities or base their decision entirely on the language of the Resolution, but will understand what its spirit is and be prepared to advise the Provincial Governments to act in accordance with the recommendation which my Hon. friend Mr. Das wants Government to accept.

*THE HON. MR. SUSIL KUMAR ROY CHOWDHURY (West Bengal : Non-Muhammadan) : Sir, I support the Resolution. The cost will not be very heavy. If you consider that there are 1,500 security and State prisoners who will be paid this allowance, on an average if they are paid Rs. 50 per month, it will be Rs. 75,000 per month for six months or Rs. 3 lakhs. The Government can well afford to pay this amount—3 lakhs of rupees for the rehabilitation of these persons who have lost their vocation so that they may seek re-employment or any other vocation after six months. On the ground of cost, I do not think the Government will object to this small sum for these 1,500 security and State prisoners.

THE HON. MR. V. V. KALIKAR (Central Provinces : General) : Sir, I support the Resolution of my friend, though I find a little technical difficulty for the Central Government to give effect to the recommendations contained in the Resolution.

* Not corrected by the Honourable Member.

[MR. V. V. Kalikar]

But I understand that the Central Government and the Provincial Governments so far as these prisoners are concerned do follow an all-India policy. Now, these prisoners were not criminals. My point is that Government for political expediency detained these prisoners. It was the duty of the Government to put them up for trial and if these people had been adjudicated by the court of law as having committed the offence, then the case would have been different. But here the Executive Government put them in jail. So, Sir, the responsibility lies on the executive Government to see that after they are released they get sufficient sum to rehabilitate themselves. I quite agree with my friend Pandit Kunzru that the word "direction" used by my Hon. friend is not a happy one in this Resolution. But so far as I remember practically all the Provincial Governments take suggestions from the Central Government and during war time Provincial Governments have taken suggestions from the Central Government as to how they should deal with these prisoners and they have acted on the suggestions of the Central Government. I therefore submit that the Central Government should issue suggestions to the Bengal Government that the allowances that they were giving to these priosners should be continued.

THE HON. MR. SURPUT SING (West Bengal: Non-Muhammadan): Sir, I beg to accord my support to the Resolution moved by my Hon. friend. Sir, on both their arrest and release of the security prisoners, there is no opportunity given to them to realise their position in any way. They have to proceed to their detention in a state of unpreparedness and return after detention equally unprepared. What moorings they have in life all get asunder when they are suddenly taken into custody. Then equally suddenly, when they are released, they feel they cannot adjust themselves to the new conditions they find themselves in. Then, Sir, no sort of training or fiting out is afforded to them which can be of any service to them when they are set at liberty. Mostly the interned persons are from middle class families and their families' staying power at the time of their arrest is almost nil. Equally almost nothing it is when they are sent back to their normal life. Grants to their families during their detention are quite often inadequate. Thus there is nothing left over to them by way of surplus on which they can bank on their return home. Naturally, therefore, these men find themselves quite stranded in life on their return to normal life and feel desperately unhappy and miserable when funds are not available to them to fall back upon. I would request, therefore, the Central Government to take the initiative in the matter and accept the Resolution of my Hon. friend.

*THE HON. RAI BAHADUR SATYENDRA KUMAR DAS (East Bengal: Non-Muhammadan): Sir I am sorry that I am not convinced of the fairness of the stand my friend Mr. Porter took on behalf of the Government. Sir, the constitutional argument that he put forward does not hold water in my view. If there is one subject in which all canons of constitutional propriety were set at naught, it is political detention. Sir, the Federal Court and the High Courts of Bombay, Nagpur and Calcutta in their historic judgments have thoroughly exposed the illegal character of the provisions of the Defence of India Rules, especially of rule 26, which curb the liberties of thousands of people without legal sanction. Sir, you from the Centre virtually as one Government have imposed your rule on the provinces even where there were Ministries. Sir, you know those Ministries. The Ministry in Bengal depended on the European Group and that in the North-West Frontier Province on the favour of the Governor for their existence.

THE HON. THE PRESIDENT: You are going out of the scope of the Resolution.

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS: Sir, I suggest that the Central Government can recommend the substance of my Resolution to the Provinces, or at least I hope, Sir, discussion on this Resolution in this House can be circulated to the Provinces so that the newly-formed Congress and Coalition Ministries may act upon it. Sir, the injustices done to the detenus were very recently

* Not corrected by the Hon. Member.

exposed in the Bombay High Court which passed very severe strictures on the disregard by the executive of the sense of judicial fairness in connection with the case of Saha Sati. Sir, there are several cases which have been brought to light. I do urge that all these detained persons be set at liberty and that these people may be given an allowance for six months so that they may be able to settle down in life.

THE HON. THE PRESIDENT: Does the Government member wish to say anything ?

THE HON. MR. A. E. PORTER: With your permission, Sir, I would like to say a few words. I shall not detain the House for more than a few minutes.

I remain of the opinion which I indicated in reply to the Hon. the Mover of this Motion. I assure him that there is no particular fun in taking a stand upon a constitutional punctilio ; but there is the fact that this House can only vote on the Resolution which is before it ; and it would, I submit, be improper to vote upon a Resolution with reservations as to its meaning. A Resolution must be voted on as it is moved. It would be improper in my view for Government at the Centre to attempt to direct Governments in the Provinces to take action along the lines suggested.

On the merits of the proposal I hold equally strong views. It is, I think, sometimes forgotten that the people who have been detained have not in fact been detained without serious cause.

It is also sometimes forgotten that the provisions of the law under which responsible Governments acting with a view to securing the safety of the State have been reluctantly compelled to place people in detention without trial are not without validity. My Hon. friend, the Mover of the Resolution has referred to certain High Court Judgments. He will be interested, I know, to learn that all judgments impugning the legality of provisions under which, at any time during this war, any person has been placed in detention have been upset by the Privy Council, which is the highest judicial authority to which resort can be had.

THE HON. SIR N. GOPALASWAMI AYYANGAR: Not all.

THE HON. MR. A. E. PORTER: I think, Sir, that all such judgments, either specifically or by implication or in consequence, have been overruled ; but I am subject to correction. Well, Sir, it is a point which is sometimes forgotten that these people who have been put in detention were not put in detention illegally. They were not put in detention without due cause and that cause was the protection of the State to the best of the belief and knowledge of the Governments responsible for securing the safety of the State.

However, it may be held that this is a comparatively minor matter ; the real question is what is to be done with these people now that they have been returned to civil life after having been detained all this time. Well, Sir, there I do not think that there is any real ground for excessive sympathy of the kind which we are now asked to show. I can think of numbers of more deserving classes of society for whom and on whose behalf could be put up a very much stronger argument than that which has come from the opposite Benches on behalf of released security prisoners. I, therefore, continue to oppose the Motion and I hope that it will be thrown out. I should add, however, that if Hon. Members wish, I shall be happy to see that a copy of the debate in this House as soon as it is available is forwarded to the Provincial Governments for their consideration.

I oppose the Motion.

THE HON. THE PRESIDENT (to the Hon. Rai Bahadur Satyendra Kumar Das): Do you wish to press your Resolution ?

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS: Yes, Sir.

THE HON. THE PRESIDENT: Resolution moved :—

"This Council recommends to the Governor-General in Council to direct all the Provincial Governments to continue to pay all the State and Security prisoners their allowances at the rate at which they were being paid at the time of their release up to six months after their release so that they may re-seek out their source of income."

Question put: the Council divided

AYES—19

Abdool Suttar, Hon. Mr. Abdool Razak Hajee.
Ayyangar, Hon. Sir Gopalaswami.
Buta Singh, Hon. Sir.
Chettiyar, Hon. Mr. Chidambaram.
Das, Hon. Mr. N. K.
Das, Hon. Rai Bahadur Satyendra Kumar.
Hossain Imam, Hon. Mr.
Kalikar, Hon. Mr. V.V.
Keramat Ali, Hon. Khan Bahadur.
Kunzru, Hon. Pandit Hirday Nath.
Mahtha, Hon. Rai Bahadur Sri Narain.
Mitha, Hon. Sir Suleman Cassum Haji.
Motilal, Hon. Mr. G. S.
Padshah Sahib Bahadur, Hon. Saiyed Mohamed.
Row, Hon. Mr. Thirumala.
Roy Chowdhury, Hon. Mr. Susil Kumar.
Rup Chand, Flt. Lieut., the Hon.
Surput Singh, Hon. Mr.
Yuveraj Dutta Singh, Hon. Raja.

NOES—23

Assadulla Khan Raisani, Hon. Sardar Bahadur Nawab.
Charanjit Singh, Hon. Raja.
Chinoy, Hon. Sir Rahimtoola.
Das, Hon. Mr. M. L.
Devadoss, Hon. Sir David.
Dhar, Hon. Mr. S. M.
Ghosal, Hon. Sir Jogna.
Gibbons, Hon. Mr. J. M. B.
Hissamuddin Bahadur, Brig. the Hon. Sir.
Hutton, Hon. Lt.-Genl. Sir Thomas.
Jones, Hon. Sir Cyril.
Kameshwar Singh of Darbhanga, Hon. Maharajadhiraja Sir.
Kharo, Hon. Dr. N. B.
Khurshid Ali Khan, Hon. Nawabzada.
Lal, Hon. Mr. Shavax A.
Mahomed Usman, Hon. Sir.
Menon, Hon. Sir Ramunni.
Mukherjee, Hon. Sir Satya Charan.
Porter, Hon. Mr. A. E.
Prior, Hon. Mr. H. C.
Sobha Singh, Hon. Sir.
Sukthankar, Hon. Mr. Y. N.
Townend, Hon. Mr. H. D.

The Motion was negatived

RESOLUTION *RE* FLOATING OF LOANS TO HELP AGRICULTURISTS

THE HON. MR. V. V. KALIKAR (Central Provinces General: Non-Muhammadan): Sir, the Resolution which stands in my name runs thus :—

"This Council recommends to the Governor General in Council that a loan of ten crores of rupees earmarked for the purpose of subsidising agriculturists to grow more food-grains, be immediately floated."

Sir, I need not inflict a long speech on this House so far as this Resolution is concerned, because when we debated the food position in India we were told that a committee was examining the question of subsidising the agriculturist, and I therefore think that the Government will take a sympathetic view of this Resolution and will help the agriculturist to grow more food.

Sir, the House knows that the agricultural industry, the basic industry of this country, has been neglected for a very long time. On looking at the history of the various provinces, I find, Sir, that in many of the provinces a small beginning in the direction of starting of Agricultural Departments was made in the year 1880. After that, regular Agricultural Departments came into operation in the year 1905. In the Centre too an Agricultural Department, connected with the Commerce and Revenue Department, was established in the year 1871. My point is that, after nearly 77 years, and after the Bengal famine, the Government recognised that this industry ought to be seriously and sincerely helped.

When Lord Linlithgow came to rule over us, many of us thought that he would take active steps in developing agriculture in India. But, unfortunately, except for his scheme of supplying bulls and improving the pedigree of the cattle wealth of India, he could not do anything. We expected some improvement during his time because he was the Chairman of the Royal Commission on Agriculture and we thought that he would press upon the Centre as well as on the Provincial Governments to

implement some though not all of the recommendations of the Commission. But to our misfortune, he was not able to do anything of that sort. I also think that the political leaders of various Parties in India have not given due attention to this basic industry of India. We know, Sir, that this industry supports nearly 72 per cent. of the population of India. About 90 per cent. of the population of India is directly or indirectly connected with agriculture. But still we find neither the Government nor the leaders of Parties taking any interest in giving a fillip to agricultural improvement in the country. My object in tabling this Resolution at this time is just to induce the agriculturist to grow more food and to avert the threatened famine in Madras and Bombay. I shall show later on that India is not self-sufficient in the matter of food. It was not self sufficient in the matter of food even before the war. The House knows that we were required to import rice from Burma. The House now knows that when we are threatened with famine in Madras and Bombay, we are required to go to various countries with a beggar's bowl and we are told that so much of our requirements will not be met by them. Therefore, I think that the Government of India and the people must decide seriously that the time has come when India must grow all the food she requires for her population.

Sir, British India has got about 5 lakhs of villages and the cultivated land of British India is about 214 million acres. We have got in India 92 million acres of culturable waste land and 45 million acres of current fallow. According to Government experts our total annual production of cereals is 60 million tons. We have to make a reduction of about 12½ per cent for seed and wastage and the amount available for food is about 52½ million tons of cereals per year. This is for the normal population. Then we have to take into consideration the annual increase of 50 lakhs of people every year. So, we will have to increase our total production by between 5 to 10 per cent. Sir, to some, the idea of giving a subsidy to the agriculturist will not appeal. But I submit that the principle of giving a subsidy to the agriculturist has been accepted in Western countries. I may bring to the notice of the House that even in England, during the war, Rs. 200 crores or over were given by way of subsidy for food production. Recently I understand that they have sanctioned about Rs. 400 crores for that very purpose. They have given a subsidy for diverting land from cash crops and for getting under cultivation land which was not cultivated before. I will just read a sentence from the Home Front Hand Book for England. It is said here :—

"Substantial financial aids to convert grass land into arable land have been given, such as a grant of £2 per acre for grass land ploughed up ; a subsidy of £3 an acre if wheat or rye were sown, a payment of £20 per acre for land previously devoted to flower-growing if converted to food crops ; assistance up to 50 per cent. of the expenditure required for draining and ditching and a subsidy, also of 50 per cent. on cost of agricultural land."

I find that even in Canada a substantial amount——

THE HON. THE PRESIDENT : I do not think your proposition is disputed that a subsidy should be given to agriculture because money given for the construction of wells in India is subsidy for agriculture and to the land cultivator. It is tantamount to subsidy.

THE HON. MR. V. V. KALIKAR : I am coming to that point, Sir. Money given for digging wells or money given for irrigation or for better seed, that is a long term or short term policy. I want immediate relief. My point in moving this Resolution is that if you give a subsidy to the agriculturist to divert cash crops land to food crops land and to cultivate land which is lying fallow, you will be giving him an incentive to grow more food. The Government of India have in recent times made various proposals. There is the Kharegat Report and the Memorandum on the development of agriculture and animal husbandry in India and there are so many other schemes on paper. That is alright. I quite agree with you, Sir, that they are going to spend money for the improvement of agriculture. Common sense dawned on them only when they found that 3 million people died in Bengal on account of famine.

I do not dispute the proposition that they are going to do something. I quite agree with you. My point is that I want immediate result and for immediate result you must take immediate action. Sir, the spirit underlying my Resolution is that you must give to the agriculturist some amount which will really induce

[Mr. V. V. Kalikar]

him to grow more food. I will just cite an instance from my own province. About 3 years ago, in my province a subsidy of Rs. 2 per acre was given to agricultirists and the figure that I have got is that in the year 1942-43 —of course my Hon. friend Mr. Dhar will correct me if I am wrong— Rs. 28,83,000 were given and in the year 1943-44 and 1944-45 Rs. 10,64,000 were given. There was a debate on this very Resolution in the other House two years ago and the then Secretary Mr. Tyson stated in the other House that in my own province 6 lakhs acres of land were diverted for the purpose of producing food-grains from cash crop. If that information is correct, there is urgent necessity now to accept my Resolution and to give subsidy to the agriculturists. You will find that in Canada, Australia, America, everywhere subsidy has been given to the poor agriculturist for growing more food. I believe the House knows that in America an attempt was made to bring in an anti-subsidy Bill, but the late President Roosvelt vetoed that Bill and subsidy was allowed to be given. It is only in India that the agriculturist has been neglected both by the Provincial and Central Government up till now, and I am very sorry to say that even the leaders of Political Parties did not take much interest in this matter. Sir, the arguments that have been advanced against this proposition of mine or that are likely to be advanced or that have been advanced in the past are two. The first is that there is no need of subsidy to be given to the agriculturist for growing more food because he gets a remunerative price. That is one argument; and the other argument that has been advanced some time ago in the other House was that the agriculturist gets much more price and that is a sufficient incentive to him to grow more. At the risk of repetition, because I referred to it in my speech on the Food Debate, I again want to stress the point here namely whether agriculturist gets a remunerative price for his produce. I will just cite the prices current in my province. In C.P. a maund of 40 seers of wheat is sold at the price of Rs. 10-4-0, rice at the price of Rs. 8, jowar at Rs. 7 and gram at Rs. 10. Now, Sir, I challenge any body to convince me if these rates are really remunerative. I know that the prices that I have given just now are double the prices that used to obtain before the war. (*An Hon. Member*: 3 or 4 times). No. These prices are double the prices of the pre-war rates. But the price of goods and services, of bullocks, of implements, the cost of labour, has gone about 4 or 5 times more over the pre-war level. If an agriculturist gets this price, do the Government really think that this price is remunerative? And then if he does not get a remunerative price, at the prices fixed by them, how is it possible for a farmer to grow more food, for he will naturally divert his land to cash crop; and unless and until you give him some incentive you will not be able to produce the foodgrains that are absolutely essential for maintaining the health of your population. Sir, the House knows that a large part of the population of India is half-starved. It is very unfortunate that though India is an agricultural country it should not be able to produce sufficient food for her population. But the fault lies with the Government. The British Government has been here for over 150 years. As I said in the beginning of my speech, we have got these Departments, regular Departments of Agriculture, from the year 1905. You may have our schemes on paper, you may have agricultural farms, but unless your improvements reach the farm and unless the farmer is in a position to purchase improved seed, manure, bullocks, etc. and adopt various improvements, you will not be able to benefit the farmer. I assure you that all that your reports claim to have done in this Department during the last 50 or 60 years has not even reached one per cent. of the agricultural population. I, therefore, submit, Sir that you may have various Committees, you may start Research Institutes in any number and you may bring any number of experts from England—and especially, Sir, the Government of India is very very fond of importing experts from outside; they are not fond of teaching their own nationals and making them experts in the interests of their own county—it won't solve the problem. But apart from that, Sir, if really we want experts we won't grudge them but we should have them on contractual basis. That is my personal view but I think that we should not import any more experts. We should train our young boys to be experts so that they will really understand the needs of the country and they will be able to serve their population.

Sir, my point is that your paper claims will not help in any way in increasing the produce of a farmer. You must have schemes. I do not want in any way to minimize the importance of your schemes but I am giving you the facts as they are. I am bringing to your notice the situation as it exists in a village. If you import tractors, if you produce fertilizers, if you can get all these things they are long-term programmes and for that purpose you will require a large number of additional staff. You will require that the agriculturist must understand things properly and then and then only after a very long time all your schemes will be successful. But if you really desire—and my Hon. friend the Food Member told us the other day that he wants to give a balanced diet to the population of India—if the Government really desire to give a balanced diet to the population of India, they must direct their attention to giving subsidies to the agriculturist and inducing him to grow more food.

Sir, I hope, as you also expressed, that there will not be a difference of opinion on this point and I hope the poor agriculturist will get substantial subsidies for growing more food. (*Applause.*)

Sir, I move.

THE HON. RAI BAHADUR SRI NARAIN MAHTHA (Bihar : Non-Muhammaden): Sir, I have just a few words to say regarding this Resolution and in support of it. To my mind this Resolution is not of a type which requires a great deal of argument to convince people about the proposition it brings forward. During the last few years, we have seen in this country the spectacle of a particular type of propaganda known as the "Grow More Food Campaign." It has not, however, convinced many people as to how this "Grow More Food Campaign" has been or could have been of any material value either to the grower or the consumer. The reason for the futility of the "Grow More Food Campaign" is obvious. If more land is under cultivation today than was under the plough earlier the difference is the result of other forces. If the agriculturist has the necessary seeds, if he has the necessary pair of bullocks, and the necessary manure and market prices of grains are such as may be considered to be remunerative, the agriculturist does not need and shall not wait for the reaching of propaganda leaflets to him to induce him to grow and cultivate his field. Sir, in every trade, the greatest incentive and the most enduring incentive is the price that the commodity concerned fetches. Now, we have heard the Mover gave you some figures. The figures that he has quoted for rice, maize and other commodities do not very materially differ from those obtaining in other Provinces. The prices as they exist make it a matter of tragic experience to all agriculturists that they cannot make their agriculture pay. I can relate to you something about another Province, my own province, namely, Bihar where the Hon. Mr. Dhar himself worked for a very considerable time. Sir, he should be able to know that the prices of bullocks which were available at the biggest cattle fair held in India, that is Sonepur, were definitely seven times higher than what they were in 1923. Then the agriculturist in Bihar has never been able to afford to buy any manure in spite of what is asserted from many quarters that the prices were and are very remunerative to the agriculturist. He can very seldom, except on pain of semi-starvtion, lay by any extra food-grains in order to go and sell it in the market. Close sits the shirt but closer sits the skin and not long ago we had the sad spectacle of the Bengal famine where millions died even when the Government of Bengal of the day had to tell their agent that he was to be paid a Commission not on the quantity of food-grains bought but on the price paid for the grain. The difficulty in obtaining grain was such that the Government of Bengal had to go in for that concession. But even on the top of that we had that terrible famine in Bengal, which will continue to shock our memories for years to come.

Then, Sir, the question naturally arises as to what is the way out of the difficulty ? We have got to consider the present slender means of the agriculturist on the one side and the consumer on the other and then to find a way out of the difficulty, the solution is subsidy, we must either subsidize agriculture or subsidize the consumer. If we subsidize the consumer we waste our money because the consumer will pay the money out to the agriculturist who in the initial stages will not have got the funds

[Sri Narain Mahta]

to proceed with his agriculture and scarcity will continue. But, if we subsidize agriculture the grower will find the wherewithal to grow food and the consumer will be able to find the produce at a reasonably low price and shortage will very largely disappear. That Sir, is a very clear proposition. We must subsidise society at the proper place and time. We have the money available, we have unemployed labour, we have fallow land. You are going to abolish the E.P.T. People would need some avenue of investment. Your loans if floated, will sell in no time. I cannot easily find any difficulty, therefore, in Government accepting this Resolution, which gives an avenue to the man with money to invest, which opens out ways to the agriculturist to go and buy the material he needs for his agriculture, and makes food available at a more resonable price to the general consumer. Sir, I heartily support the Resolution.

THE HON. MR. M. N. DALAL (Bombay City: Non-Muhammadan): Mr. President, the agricultural efficiency of this country has gone down materially during recent years, though to what extent it is difficult to tell. The reasons are paucity of able-bodied labour diverted to war activities and high prices of cattle, agricultural implements, manure, etc. The apparent prosperity of the cultivating classes due to high commodity prices has neither reflected in greater productivity nor in greater efficiency of production. The Government of India have accepted the resoponsibility for increasing the food resources of the country, and they must give the highest priority to measurs designed to increase the productivity per acre and the measures designed to diminish chances due to the vagaries of nature. In Engaland, direct subsidies have been given to the agriculturists to convert grass land into arable land. For instance: a subsidy of £2 per acre for conversion of grass land; ploughed up; £3 per acre for wheat or rye sown; £20 per acre for land previously devoted to flower growing if converted to food crops; assistance up to 50 per cent. of the expenditure required for drainage and ditching, and a subsidy of 50 per cent. on cost of agricultural land. The markets for all farm products have been controlled and the farmer is guaranteed an adequate return. The success of the policy is illustrated by the following results. The area under cultivation has increased in the course of three years by 6 million acres. The acreage under wheat has recorded a 35 per cent. increase; the area under potatoes has been expanded by 60 per cent. Taken as a whole, production has increased by 70 per cent. This is in Englnd from a report published in 1944.

Mr. President, there are millions of acres of land in this country which are still lying fallow, and Government should lose no time in formulating a bold and comprehensive policy to that end. I am aware of the elaborate programme of Government, which is mostly a long-term programme. The programme, if I may repeat here, envisages facilities in goods and services necessary for increased production to primary producers; educating the cultivator in better methods or production; improving the standard of living; improved arrangements for storage; methods of pest control scientific processes to conservation and modernised and improved arrangements of transport; promoting village communications and vitalising co-operative marketing credit. The programme also envisages the need for establishing a permanent system of control to assure a market for the producer and equitable distribution of food to the consumer at prices fair to both. These, Sir, are admirable measures for a long-term scheme for growing more food. But for the imminent emergency there does not appear to be any direct financial help to the cultivator by way of an outright subsidy. When crores have been raised and spent in this war, when Government are borrowing this year as much as 300 crores of rupees to meet their budget requirements, I think it is a very fair and essentially sound suggestion that 10 crores more might be borrowed to be given through the provincial Governments as an outright free and direct subsidy to the agriculturist to encourage him to bring more uncultivated land under the plough and to convert cash crops into food-grains, which is the policy of the Government of India. Mr. President, I support the Resolution.

THE HON. RAJA CHARANJIT SINGH (Nominated Non-Official): Mr President, the Resolution which has been so ably moved by my HON. friend Mr. Kalikar asks for two things. One is that the Government of India should float a loan of Rs. 10 crores immediately, and the second is that the money thus raised should be used in subsidising agriculturists to grow more food. I am in entire agreement with the underlying idea of my Hon. friend the Mover of this Resolution that the grow more food movement should be encouraged. But I am afraid the procedure to be adopted is not quite clear. The following points will have to be decided before any action is taken:—

(*a*) What will be the quota of each province and on what basis.

(*b*) Who will select the agriculturists for the purpose of this subsidy.

(*c*) How will the amount of subsidy be determined.

(*d*) Will the subsidy be given by the Government of India direct to the selected agriculturists. If so, which Department of the Government of India is to take up this additional work of selecting the agriculturists and of distributing 10 Crores to them.

(*e*) If the subsidy is to be given through some other agency, then who should that agency be and what would be the control of the Government of India.

(*f*) What would be the extra cost of this additional work. Will new staff be required for it.

(*g*) Will Local Governments have any say in the matter ?

Agriculture, as you know Sir, is a provincial subject. Circumstances differ from province to province. In view of all this, would it not be better to leave the raising of loans and the distribution of subsidies according to individual requirements to Local Governments ? Already there is a good deal of duplication of work between the Centre and the Provinces. This extra work will entail still more the multiplication of files and extra cost. I would therefore request my Hon. friend Mr. Kalikar not to press this Resolution, and to leave it to be taken up by the Local Governments themselves.

*THE HON. MR. HOSSAIN IMAM (Bihar and Orissa: Muhammadan): Mr. President, the Resolution which my Hon. colleague Mr. Kalikar has moved is really divided up into two parts. Not only that, but one is the essential part, and the other is only a means to an end. What he really wants primarily is that the Government of India should set apart 10 crores of rupees for the purpose of subsidising agriculture, and secondarily, as a means to that end, that a loan should be floated for this purpose. The floatation of a loan is not the *sine qua non*, but merely a method, and I do not think that he or any of us would be very sorry if the Government refused to float a loan but set apart that amount from its existing balances.

THE HON. SIR N. GOPALASWAMI AYYANGAR: From the loan which they have already floated.

THE HON. MR. HOSSAIN IMAM: Yes, and which they are hoarding, according to the Indian Customs. This is infectious. This hoarding habit has permeated even the Government of India. Sir, my Hon. friend Mr. Dalal has given very cogent figures which show how agriculture can be supported and really made operative. Our condition is fast approaching the condition of England in the matter of self-sufficiency. We are not self-sufficient as far as food is concerned. This is the direct result, as I said last time, of the increase in population without a concomitant increase in the land under agriculture. For this purpose it is very essential that you should take up a scheme of subsidising agriculture in different shapes. The most effective shape is to give cheap water. The canal rate should be reduced. In most of the Provinces, —— the Joint Secretary in the Agriculture Department will bear me out —— the canal rate, irrigation is regarded as a head of

*Not corrected by the Hon. Member.

[Mr. Hossain Imam]

income, where not only the interest is covered but some profit is also made. This is most obnoxious, for if you really wish to have a prosperous agriculture, the canal rate should be pitched so low as to help the agriculturist to grow more food.

THE HON. SIR DAVID DEVADOSS: Land tax ought to be reduced.

THE HON. MR. HOSSAIN IMAM; Secondly, Sir, agriculture is in urgent need of manures. We are given manures at almost the cost price and it is said that a great benefit has been conferred on us by selling manure at cost price. But that is not the method to adopt. You must subsidise it in order to popularise it and make it available. You should try and sell it at a lesser price and special care should be taken that manures are used more for foodstuffs than for cash crops. Most of the manures which are being used today are being used for tobacco, for sugarcane and such other cash crops.

BRIGADIER THE HON. SIR HISSAMUDDIN BAHADUR: Flower gardens.

THE HON. MR. HOSSAIN IMAM: Yes, for flower gardens, especially when the Indian States are concerned. I was going to say, Sir, and I was gald to hear that others have repeated it, that the cattle prices in India are soaring so high that it is time now that subsidy cattles should be made available to the agriculturists so that they may be able to renew their stock and have better animals to work with. I have suggested, Sir, that Government should purchase tractors and hire them out to those who wish to use them. This is the system which they have adopted in Russia. There the Government have got tractor stations from which people get the tractors at very attractive rates for the purpose of cultivating their farm. Although I know that in India the system of small holdings is prevalent, still, in rabi cultivation we are sure that a lot of work could be taken from tractors. We are always face to face with "the penny wise and pound foolish" policy of the Government. They cannot spend a penny for the purpose of agriculture without counting up the depreciation, rent charge and this and that, so that the cost becomes so high that it is well nigh impossible for any agriculturist to avail himself of the facility offered by the Government of India. It is very necessary that this policy should be given the go-by. We are now entering on an era of new experiments, new ideas and new methods and you can only do it by scrapping all the old notions and embarking on a bold policy the object of which is to make India self-sufficient in the matter of food. I dislike the idea of taking the begging bowl to the United Nations and asking them for grants of wheat and rice. God has given us land enough and men enough to work. The only thing which is missing is the facility for agriculture. There is no irrigation available, there is not enough incentive available and it is these lacunae which must be filled up. I therefore heartily support the Resolution and hope that the Government will take effective steps to accept the ideas underlying it which means subsidising agriculture in order to produce more food.

FLT.-LT. THE HON. RUP CHAND (Punjab: Non-Muhammadan): Sir, I rise to extend my whole-hearted support to the resolution moved by my Hon. friend, Mr. Kalikar, recommending the floating of 10 crore loan for subsidising agriculturists to grow more food-grains.

Sir, in my view, this is the most opportunate time for floating such a loan. In the first place, there is a great shortage of food-grains in our country and every step which will encourage the production of more food-grains should be taken without delay. Secondly, there is surplus money with certain sections of the people who are looking for suitable and safe means of investment. The floating of a loan at this moment will help to draw away the surplus money and will also act as a deflationery measure.

A study of the present position of Indian agriculture leads one to endorse the gloomy words of Dr. Clouston, former Agricultural Adviser to the Government of India, that "Agriculture is one of the depressed industries of India". Judged by whatever standard—the size of the holdings, implements and fertilisers in use, system of rotation of crops, the quality of seeds, land improvements, marketing, organisation, and cattle conditions—agriculture in India is in an extremely backward condition. This is conclusively shown by excessively low yield per acre, which is only one-third or one-fourth of what is obtained in other countries.

We Indians are regarded as a poor people in a rich country, India is very rich in her natural resources, but these resources have not been fully utilised and developed as in other countries like U.S.A. and Russia. The need of agricultural improvements is urgent in India from every point of view. But the masses of the people who till the land are poor and cannot afford to buy new tools, implements or fertilisers. Hence the need of immediate financial assistance to agriculturists. If the proposed 10 crore loan is floated immediately and the money is used to subsidise agriculturists, it will help them to resort to intensive cultivation of land already under cultivation and will also give them means to bring under the plough land which so far has not been cultivated.

The loan which is recommended by the resolution now before the House should be used also to help the agriculturists in sinking more wells for irrigation purposes and also in building private tanks to provide against failure of rains. The loan can also be used to procure good manures and fertilisers which will increase the total production.

The loan will be a very good investment and will bring very good results. Increased production will not only relieve the food shortge but will also help to improve the economic conditions of the masses and raise their standard of living.

Sir, with these words I support the Resolution.

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

The Council re-assembled at Half Past Two of the Clock, the Hon. Mr. M. N Dalal in the Chair.

THE HON. SIR RAMUNNI MENON (Nominated Non-Official) : Sir, the food situation that prevails in the world today, as indeed the food problem that has been created by the war, has brought before our minds very vividly the important place which ariculture plays in every national economy. There prevails in all circles in this country today a very genuine desire to see agriculture made efficient and the lot of the agriculturist improved. But I think in our eagerness to promote measures which are intended to achieve these purposes, we should be very careful not to accept proposals without full consideration, and such consideration may often require the guidance of experts. Now, the particular proposal that is before us today is that the Government should raise a loan of 10 crores to be earmarked for subsidies to agriculturists. It was suggested in the course of the debate this morning that the particular method of obtaining this amount is a matter of minor importance ; it was regarded only as a means to an end. To that con ention I give my whole assent. I would suggest that we might extend the scope of that argument a little further. I suggest that the particular method that you select for encouraging agriculture is also only a means to an end. The end is the improvement of agriculture and whether you bring about that end by granting subsidies or in any other way is a matter of minor significance ; and if my Hon. friend is particular on insisting upon the idea of "subsidy" it will be well for us to remember that under the schemes that are in operation at present very liberal grants are being made by way of subsidies. I am speaking subject to correction. I believe well sinking and the construction of tube-wells are subsidised ; and for aught I know the bringing under cultivation of waste land is also an approved subject for the grant of subsidies. I believe in Madras they are paying Rs. 15 an acre under this head. I believe under the existing provisions there is ample scope for the grant of subsidies under one head or another. The substance of the Hon. Member's Resolution is simply this that we want to increase the amount available for helping agriculturists, either by subsidies or in some other way. We were told the other day that the Central Government have already spent something like over 10 crores and the amounts—I understand that the proportion is 50—50 under grants—which the Governments,

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both Central and Provincial, have already spent on the Grow More Food campaign will come to somewhere about 14 crores. And in any case we have been assured that there would be no difficulty about finance at all. The Government are anxious to push on with the Grow More Food campaign ; and I do not see any reason why, taking the scheme of agricultural expansion in the short term plan we need be anxious that there will not be forthcoming sufficient funds. I said, Sir, that subsidies are only one way of encouraging agriculture. There are various other ways. For instance, the provision of water facilities, the supply of improved seed, the supply of manure—all sorts of measures are available, and I believe the Government are proceeding along all these lines. But the Hon. Mover's main point is, if I have understood him correctly, that the subsidy should be given to individual agriculturists in the form of money, not by providing him with water facilities or improved seed or manure. That is a matter which requires very careful consideration. In effect it means that you will be giving him a higher price than the market price for his agricultural produce, though I quite appreciate that this subsidy will be a lump sum payment and made only once, where as the price which he will get will be an annual receipt. On that point I have very definite views. I regard the present agricultural prices as very high ; they are sufficiently remunerative to the agriculturist. My friend tried to make out that agriculturists are suffering. As far as I am able to judge, the larger growers and the medium growers have succeeded to a very lage extent in wiping off their pre-war debt. If there is any section of growers still in debt, it is the smaller growers. Obviously the smaller grower suffers from certain handicaps. He cannot buy his instruments of production, particularly bulls. Well, the remedy for that is obviously not to give a subsidy but to make cheap credit available to him—both long-term credit and short-term credit. I consider, Sir, that the Govrnment can help agriculture in various ways and particularly by providing facilities for improved cultivation, like water supply, improved seeds, manure. If the Rs. 10 crores that my Hon. friend recommends were spent on establishing in this country big fertilizer factories the Government will be doing by that one act far more than they could by any other means to increase agricultural output. I know there are practical difficulties in establishing these factories, but if it can be done it would be one of the best way of promoting agriculture.

My Hon. friend referred to prices. Now if we fix high prices for agricultural products we are entering into a vicious circle which will ultimately recoil on agriculturists themselves. Agricultural prices are the main element in the cost of living of any individual. If rice and wheat have to be bought at high prices, where does it lead ? The labourer who is turning out consumption goods for the use of the agriculturist from implemets for his production and consumption goods like cloth for his living, will demand higher wages naturally. Higher wages means increased price for the products which he turns out and those are the very products that the farmer has to buy and he will in his turn have to raise his prices higher ; to meet his increased cost so the whole thing works out in a vicious circle. I disapprove entirely of the scheme or proposal which starts from the point that agricultural prices must be very high. I do not agree with that at all. I concede that the agriculturist must have a remunerative return : that is an entirely different proposition. You can make the return remunerative by supplying the agriculturist with consumer goods at cheap rates. We can do that by reducing the cost of production in industries in general. In fact, the whole economic problem is how to gradually bring down the general level of prices in this country ; and general level includes agricultural prices as well as the prices of other essential consumer goods. That is the fundamental problem with which we are faced. I may further point out that the question of prices is not a thing which we can decide arbitrarily for to a certain extent they will have to depend upon international levels of prices. That is a matter on which at present it will be impossible for anybody to express any opinion. It seems to me that agricultural prices also will have to depend upon international prices.

For these reasons, I think it is very undesirable for us to accept the very specific proposition that a loan of Rs. 10 crores should be raised and that the whole of the

amount should be given to agriculturists in the form of subsidies. There is one point, however, on which I am in perfect agreement with previous speakers. We must protect the agriculturist in the event of a general fall in agricultural prices. Such a contingency is likely to happen in a world depression. Against that we cannot now make any provision. All that we can do is to watch the trend of trade and economic activities in the world and adjust our own domestic policy suitably. I feel, therefore, Sir, that while the ultimate object which my Hon. friend has in view is one with which we should all sympathize, the particular proposal that he has put forward before us is one which cannot be adjudged without fuller and probably expert examination.

THE HON. MR. SURPUT SINGH (West Bengal : Non-Muhammadan) : Sir, I rise to support the Resolution—so important a Resolution—moved by my Hon. friend Mr. Kalikar. The Resolution asks Government to float a loan of Rs. 10 crores only for the whole of India. India is an agricultural country, and, in respect of her food products is not self-sufficient as will be evident from the report of the Famine Enquiry Commission. They have recommended the bringing of waste land under cultivation. The British Government in India has been governing us for the last 200 years and we are still in the same primitive condition or rather worse I may say, the quantity of our produce has deteriorated. Whenever there is any shortage of rain, or some unforeseen calamity as cyclone or something else, we are short of food, as would be evident from our present position when we have had to send a Food Delegtion to America for begging food for India, which by itself is capable of producing a surplus quantity of food. It will be evident, Sir, that we produce only 650 lbs. to 900 lbs. per acre of rice, while Japan produces 2,300 lbs. per acre, Egypt 2,000, America 1,500, Italy 3,000 and Spain 5,000 lbs. per acre that is due to our old methods of cultivation. There are about 10 million acres of waste land, out of which we can easily cultivate 2 to 3 million acres of land and increase the produce of our lands. England, Sir, a few years back before the war, produced only 30 per cent of the foodgrains required by the United Kingdom, but in a few years' time she has increased her production by improved methods and constant rigidity and application of new methods and fertilizers to the extent of 70 per cent. of her needs. I ask, Sir, why cannot we produce the same quantity ? We here have difficulties about rainfall, about irrigation, and so on. The request made for 10 crores is a very modest one and it may be taken as a fund to start with, and it may be applied in such manner as may be recommended in the post-war development project. Before applying the money, a committee should be formed and programmes prepared on proper lines. Besides subsidies for cultivation of food crops, an adequate amount should be paid to agriculturists to induce them to bring under cultivation the waste land that is available, and also for the purpose of sinking tube-wells, digging tanks, canals, and so on wherever possible. There is also difficulty in getting good seeds. If the Agricultural Departments in India act on the lines on which they do in England, I think we also can produce the same quantity.

Finally, Sir, I beg to suggest that where by advancing Rs. 2 or Rs. 3 per acre agriculturists cannot be induced to bring under cultivation available waste land, they should be paid the full cost of cultivation, half of which may be recovered from them after the harvesting of the crop. Moreover, they should not be made to undergo so much difficulty in securing the subsidy as in the Grow More Food scheme whereof the amounts made available for advancing to the agriculturist more than half went into the pockets of the agencies through whom the money was to be distributed. The other day the Food Secretary announced that Government would be pleased to pay half the cost of sinking tube-wells. I do not know what will be the amount required, but to my mind it will be not less than Rs. 600 or Rs. 700 per tube-well, but it is out of the question for the agriculturist to invest even Rs. 200 or Rs. 300. They should be paid the entire amount required for sinking a tube-well, and half of it may be recovered from them after they have started growing food.

The request made in the Resolution is a very modest one, and I think the Government should take the initiative in acting in accordance with the request made by my Hon. friend Mr. Kalikar. With these words, I beg to support the Resolution.

*THE HON. M. THIRUMALA ROW (Madras: Non-Muhammadan): Mr. Chairman, I want to know whether the Hon. the Mover meant his proposition as a long-range one or as a short-term one.

THE HON. MR. V. V. KALIKAR: Short-term. I made that clear in the very beginning of my speech.

THE HON. MR. M. THIRUMALA ROW: I am sorry I was away on some other business when the Hon. Member spoke.

I do not know, Sir, whether in the present circumstances this question of stepping up food production in the country should be treated as a Central matter or whether it should be treated as a provincial matter. In several provinces Ministries have been formed after the recent elections, and in some others Ministries are going to be formed very soon. Agriculture is a provincial subject. It is entirely under the control of provincial Ministries. But we have got an all-India organisation the Food Department, functioning here, as a central institution, trying to procure and distribute food. Therefore, where the jurisdiction of the one will overlap or will telescope into the jurisdiction of the other is not quite clear. Sources of irrigation and all the means of enchancing the production of this country in the agricultural field are entirely controlled by Provincial Governments. We have had some sad experience of the grow more food campaign that has been organised under the auspices of the Central Government hitherto. In my own place, I know, when lands which were in the delta, within easy reach of the water coming from the Godavari, were sought to be cultivated. The Revenue Department and the Executive created innumerable obstacles—most unconciously, because they were not accustomed to expeditious despatch of business. Lands which were fit to be cultivated in one or two months, were not allowed to come under cultivation under the grow more food scheme, because the files did not move quickly from one office to another. If the same thing is going to be repeated in the administration of this 10 crores—provided the Central Government is generous enough to grant it—then I do not think it is worth the trouble.

The underlying idea seems to be a system of grants to be given to the provinces and distributed by them. I do not know why a separate loan is required to be raised for the purpose of getting Rs. 10 crores. The Government is rich enough. It has made a present of 67 crores to the capitalists of this country by abolishing the excess profits tax. They can very well cut a small hole into it and save Rs. 10 crores and distribute it among the provinces which have got responsible governments, or are going to have them shortly. Certainly the Provincial Governments will welcome any subsidy from the Centre. This subsidy should be distributed to the provinces on the basis of the area brought under cultivation where the largest acreage is brought under cultivation in any province, the largest amount of subsidy should be given to that province from the Centre. But in what way the subsidy is going to be utilised is not clear to me. In Madras, for instance, to get over the immediate difficulty, they have set a time limit—that within the next two or three months, before May, short-term crops of *cholam* and *ragi* should be grown in the upland regions, and Government will give a subsidy of Rs. 15 per acre after the crop is established and there is a fair certainty of reaping it. I am not very well conversant with the conditions prevailing in other parts of the country; I do not know if this season is favourable elsewhere for the growing of such short-term crops in order to relieve the pressure of the food situation in the near future.

With regard to water-courses, a widespread movement is set afoot for digging Artesian wells, and I think some wells are programmed to be dug in the United Provinces and in other parts of the country. This amount can very well be utilised for subsidising the digging of wells also.

With regard to the purchase of bulls and other things, I am not sure that it is such an easy matter, because the problem is a long range one of eliminating useless cattle and producing better stock that will be able to stand the strain of intensive cultivation. With regard to the other arrangements, I am not sure how far these will help in increasing the food supply. But, as an experiment, I think these

*Not corrected by the Hon. Member.

Rs. 10 crores might be tried. I feel that it is very small. The Provincial Governments should be entrusted with a survey of the available land and with the possibilities of intensive cultivation of the same land, and getting a greater yield than what is being got out of the same land. Further, Sir, I am afraid that the fragmentation into small bits of land all over the country is one of the insuperable difficulties at present to any plan of food production on a large scale. The Provincial Governments should seriously consider consolidating these holdings into a minimum of, say, 25 or 30 or 50 acres and encouraging groups of villages, to enter into a co-operative system of production and supplying them with seeds, manure tractors, bulls, water supply and every other necessity which is required for such a consolidated method of production. In view of the impending changes that are bound to come, I think that Government will take a note that the desire of this House is that a subsidy in some form must be given to the cultivator in order to produce more food. The Food Member the other day in an elaborate speech has put down the subsidizing of the food supply as one of the items of his programme. My friend Mr. Kalikar comes here with a concrete proposition that this should be one of the main items to be taken up immediately. But somehow my feeling is that we can wait for a little more time. When there is greater responsibility installed in the Centre, in co-ordination with the responsible Governments that are bound to come, and have already come into existence in some Provinces, an all-India policy can be evolved of not only the long-term production but also of short-term production by intensifying and exploring all avenues of production, whether of food-stuffs or vegetatbles or grains, which will enable us to tide over the present emergency and also make a beginning for a long range programme. With these words, Sir, I have pleasure in supporting the Resolution.

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS (East Bengal: Non-Muhammadan): Sir, I hail from Bengal. I know it to my bitterest experience what famine means. If you want to avoid what happened in Bengal, if you want to give an incentive to the "Grow More Food" campaign, if you want to make the agriculturist solvent enough to purchase manures and new types of implements for increasing his production, you should comply with the modest demand made by my esteemed friend Mr. Kalikar. Sir, India is called a sub-continent and it is an agricultural country. It is a matter of deep regret that there should be a deficit of food-grains in it. This is mainly due to absence of proper manure, absence of education of the agriculturist, and absence of proper implements. We are very glad to hear from the Food Secretary that they are taking steps for sinking tube-wells. But there is no talk about the amalgamation of holdings. That is the greatest draw-back in our country. Sir, I would suggest the setting up of an Economic Board by the Central Government to devise ways and means how to amalgamate the holdings, as was being done in Ireland. I came to know this from Sir John Anderson, the ex-Governor of Bengal, that there was a lot of inquiry there and these holdings were amalgamated. You can have exchange of holdings from one tenant to another to increase the area of a holding so that a new type of tractors may be used to ensure better production and quantity and you can import chemical manures from abroad to ensure good quality of produce. Sir, my esteemed friend, Raja Charanjit Singh, talked about the procedure to be followed in the distribution of any sum that may be granted by the Government. We have got a machinery to distribute, but as to the *pro rata* basis pointed out by my Honourable friend on my left, I would suggest that this money should be distributed on the basis of the agricultural land area in the Province. With these words I support the Resolution.

THE HON. MR. G. S. MOTILAL: We would like to hear Mr. Dhar, Sir.

MR. CHAIRMAN. (the Hon. Mr. M. N. Dalal): Would the Government Member in charge prefer to reply at this stage?

THE HON. SIR CYRIL JONES (Finance Secretary): This Resolution is financial in form and I would probably be regarded as the Government Member in charge. But my interest in this particular Resolution is secondary and I suggest that Mr. Dhar might speak on behalf of the Agriculture Department.

THE HON. MR. S. M. DHAR (Nominated Official) : Sir, as the Hon. the Senior Secretary, Finance Department, has just pointed out, he willl be dealing with the financial aspect of the Resolution. Actually, the Resolution, as it stands, has a distinct financial bearing although the object is purely agricultural. I shall deal with the agricultural aspect of the problem. The Agricultural Department, Sir, has nothing to say against the object of the Resolution. The object of the Resolution, as explained by the Hon. the Mover, is to induce the agriculturists to grow more food and to make India self-sufficient by growing sufficient food for her population. There can be no difference at all with regard to this aspect of the Resolution. Coming to the question of subsidy, this Department has always welcomed any scheme of subsidy or assistance in any other form which will help materially in increasing the food supply. In this matter of food supply we have had the unstinted support and assistance of the Finance Department and I do not think, Sir, that a single scheme sent up by the Provincial Governments has been turned down or held up for want of funds. The Resolution as it stands, therefore, appears to us to be quite unnecessary.

Sir, the Hon. the Agriculture Member, in his speech on the food debate, gave the House an idea of the activities of the Department in the matter of increasing food supply. I should like to go into a little more detail to show how the problem is being tackled and the manner in which subsidy and other assistance is being given to the agriculturists. That will probably enable the House to appreciate the problem fully and decide as to the best manner in which we can bring about the object that we have in view.

I was not going to deal with the question of what they have done in England to increase food production. But, you, Sir, as a member of the House, as well as the Hon. Mr. Surput Singh, have drawn our attention to what they have done in England and asked why we cannot do the same here in India. I do not propose to minimise what England has done ; what they have done is extremely creditable. But I would only submit that the conditions there were much more favourable. As you know, Sir, in the United Kingdom as a result of their industrial policy, the policy of *laissez faire*, they decided to depend mainly on imported food stuffs for their living, and in course of time their arable land came down to something like a third of what it was before and nearly two-thirds were converted into grass lands. When the present problem came up, it was a much simpler matter for a country which had a vast area of arable land lying fallow merely overgrown with grass, with plenty of water to bring that back into cultivation. There was no question of water difficulty. It was a question of their industrial potential being turned on to agricultural machinery, fertilisers, etc., to put them on land and turn it into cultivation. In the United Kingdom there was no question of irrigation ; only in certain areas the surplus water had to be drained out. Here again they had the machinery and plant to excavate big canals to drain out water. For them it was a much simpler problem, as far as I know, than we had to face in India. I might in this connection point out that in the United Kingdom the percentage—it was pointed out by Sir Pheroze Kharegat in the Assembly—at the beginning of the war of cultivated land was only 11 per cent of their total area and they have increased that to 20 per cent. Now, Sir, in this country we are faced with an entirely different proposition. The pressure of increasing population has left very little surplus land which could be readily brought under the plough under normal conditions that is the conditions under which we have been carrying on in the past. There has been a good deal of talk about the so-called culturable waste lands and I have heard that mentioned in the House here today. Coming from a Province as I do only recently, I had occasion to look into this matter, and my view is also supported by a recent survey held in one district in U.P. We find that these so-called culturable waste lands include grazing grounds, mango grovers, unprotected private forests, etc. These areas cannot obviously be turned into cultivation. The remaining areas consist largely of shrub jungles, swamps or sandy flooded tracts with deep-rooted grass or lands rendered fallow by erosion or regular draught and in some cases by want of labour through malaria infestation. The reclamation

of such areas involves major irrigation, drainage, river-training, anti-erosion or anti-malaria measures, which take time. These are things which cannot be done in a day. They also require expert staff and machinery. None of these were readily available in this country. Even for dealing with deep-rooted grass, which is the simplest, we are held up for want of tractors, as Sir Pheroze the other day explained to a Press Conference. We have been trying for the last three years and against our requirement of several thousand tractors we have succeeded in getting only 80. All the world over manufacturers are wanting tractors for their own country and it is extremely difficult for India to get these plants. We are up against these problems, Sir. We have to tackle them, but they will take time. Now, for the immediate purpose of getting land converted into agricultural land, we have to depend very largely on what we call marginal lands which form only a very small fraction of the so-called culturable waste land and we also have to depend on the conversion of a part of our commercial crops into food crops—a point which was referred to by the Hon. the Mover. And lastly—and this is extremely important—we have to depend on improvement in the standard of our cultivation by better irrigation and drainage, better seeds and manures, besides encouraging the production of other kinds of food. I think the Hon. Mr. Row has emphasised the importance of increasing the yield of our land ; and I feel, Sir, improving the seeds, using proper fertilisers, providing better irrigation, these are the ways in which we can obtain the quickest and the largest results both on marginal land and land which is already available for cultivation.

Now, Sir, as pointed out by the Hon. Raja Charanjit Singh and the Hon. Mr. Row, agriculture being a provincial subject, we have to depend on the Provinces for the drawing up and the execution of the schemes, and the Centre has to function mainly in an advisory capacity. But the Centre has readily been contributing on an average 50 per cent. of the cost of all provincial Grow More Food schemes. As I pointed out before, not a single scheme which came up from the Provinces has been turned down for want of funds and we have been egging the Provinces on to go ahead and come up with schemes which can add to the food supply of the country. For the information of the House I might give them an idea of the manner in which assistance is being rendered to the growers, either in the shape of subsidy or by some other means, direct or indirect. Firstly, as was pointed out by the Hon. the Mover himself, we have been giving a subsidy of Rs. 2 per acre for every acre of land that is turned over from short staple cotton into food crops. This subsidy has since been increased to Rs. 4 per acre. I think the Hon. the Mover said that as a result of this subsidy 6 lakhs acres of land have been diverted from cotton to foodgrains. But I think the figure is much more than that. My information is that 5 million acres——

THE HON. MR. V. V. KALIKAR: I spoke about the C. P. Six lakhs acres of land were diverted to food crops in the C. P.

THE HON. MR. S. M. DHAR: In 1942-43 as a result of that subsidy 5 million acres of land were diverted from cotton to food crops, and subsequently up to date the figures are 9 million acres—a very substantial addition to the food supply of the country. It might be said that this figure may not be reliable. But I might point out that the figure entirely relates to the temporarily settled areas where we have an elaborate system of keeping land records and there is no reason to think that the figure is exaggerated. Incidentally, Sir, this is one of the items in which Government have definitely accepted the policy of giving subsidy when they can get land converted into food crops, which is the main object of the Hon. Mover of the Resolution. Recently the Government of Bombay have offered a subsidy of Rs. 15 per acre to cultivators with well-irrigated lands for growing a hot weather crop on their land. This is a sort of catch crop between the two main crops.

I am told that a similar scheme—I think it was repeated by Mr. Thirumala Row today—had been adopted in Madras, though we have not yet received a report from Madras on the subject. Well, Sir, the Agriculture Department will welcome if other Provinces also adopt similar schemes to encourage catch crops and come up for grants and subsides to help them to carry them through.

THE HON. SIR N. GOPALASWAMI AYYANGAR : Do Government of India give any help to the Bombay Government in regard to the latter's Rs. 15 per acre subsidy ?

THE HON. MR. S. M. DHAR : They have not come up with any proposals. We shall be glad to consider them.

THE HON. MR. HOSSAIN IMAM : Any scheme from Bihar ?

THE HON. MR. S. M. DHAR : No scheme has come up from Bihar.

Now, Sir, the other big item in which the Centre has been helping is the loans required by Provincial Governments for the Grow More Food campaign. These loans are being granted by the Centre free of interest for a period of three years. This acts as an indirect subsidy to the cultivator and is being advanced to him either in cash or kind and the cultivator is getting the benefit of this remission of interest.

Then the Centre is granting 50 per cent. of the cost of all additional provincial staff, including cost of training, engaged in the Grow More Food campaign.

The Centre is also paying 50 per cent. of the cost incurred in multiplication and distribution of improved seeds in the shape of premium (up to about 20 per cent.) to the growers who produce pedigree seeds and also bearing 50 per cent. of any loss suffered from the time that seeds are produced and go back to the actual cultivator. Now, Sir, this is also a kind of subsidy although you cannot call it a direct subsidy.

Then, Sir, the Centre is paying 50 per cent. of the subsidy granted to the cultivators towards the cost of all types of manures, either to make them economic or to popularize their use. Now this subsidy applies to chemical fertilizers, oil cakes, compost from town refuse, as well as seeds for green manuring. I think, Sir, the Hon. Mr. Hossain Imam had pointed out that it is not sufficient to sell fertilizers at cost price, but actually a very big rebate—up to 50 per cent. is being granted on the sale of these fertilizers and the Central Government is bearing 50 per cent. of that loss.

THE HON. MR. HOSSAIN IMAM. Does it include oil cakes ?

THE HON. MR. S. M. DHAR : It varies from Province to Province. Again I must point out that agriculture being a provincial subject whatever proposal comes up from a Province is examined by us. If we find that it is on the right lines we accept it and make a contribution roughly on the 50 per cent. basis. Some provinces have come up with their proposals ; some of them have not come. Most of them have come up for fertilizers.

The Centre is prepared to pay 50 per cent. of the cost of land development or reclamation of culturable land. Subsidy to the agriculturist in this case is allowed up to 50 per cent., further liberal subsidy being granted where the land has to be broken up or deep-rooted grass eradicated. Now, as I was pointing out, much of our culturable waste land requires this treatment. A small subsidy will not help the cultivator to convert such land into agriculture ; so in this case a very large share of the cost is borne by Government and the Centre bears half the cost.

Similarly, the Centre is paying 50 per cent. of all contour ridging or anti-erosion schemes where the agriculturist has to be very liberally subsidized. I know, Sir, in Bihar we are putting up an anti-erosion scheme to cover 25,000 acres and the entire cost of the scheme is being borne by Government. In the case of some of these demonstration schemes the entire cost is being borne by Government, 50 per cent. of it being paid from the Centre. Now this is hereby a direct subsidy to the cultivator. It is being done simply because it is beyond his means to carry out work of this magnitude.

In respect of emergency irrigation and drainage projects also the agriculturists are being heavily subsidized, the Centre paying to the extent of 50 per cent. of the net cost. These include construction and repair of ordinary wells, tube-wells, tanks, irrigation canals and distributaries, construction of head-works, lift irrigation schemes for pumping water from rivers, drainage projects, contour bunds, etc.

Similarly, in respect of schemes for the develpoment of fruits, milk, poultry, fish, etc., in many of which the producer is being subsidized, the Centre is bearing 50 per cent. of the cost.

In the three years from 1943-44, the Central Government have sanctioned to the Provinces loans to the extent of about Rs. 5 crores and grants to the extent of over Rs. 4½ crores. As I have pointed out before, the Province comes in for almost an equal share; so the total amount which is being actually spent, apart from loans is in the neighbourhood of Rs. 9 crores.

THE HON. PANDIT HIRDAY NATH KUNZRU: During what period these grants were made ?

THE HON. MR. S. M. DHAR: During the three years 1943-44, 1944-45 and 1945-46.

Now, Sir, out of that Rs. 9 crores, Rs. 6 crores represents subsidy to agriculturists. I would like to draw the attention of the Hon. the Mover to this point that out of Rs. 9 crores, Rs. 6 crores represents subsidies to the agriculturists in some form or other. I have tried to work out that figure myself from the various data. It is extremely difficult to get an exact figure but I find that Rs. 6 crores out of the expenditure will go to the cultivator in the shape of subsidy in some form or other.

THE HON. MR. HOSSAIN IMAM: What is the area under cultivation in India ?

THE HON. MR. S. M. DHAR: About 200 million acres in British India. I am coming to that.

Now, Sir, I would like to point out that the proposal in the Resolution is for raising a loan of Rs. 10 crores for subsidizing agriculutrists.

THE HON. MR. HOSSAIN IMAM: In one year.

THE HON. MR. S. M. DHAR: It will be seen from the above that the principle of subsidy has been accepted and as I have said Government will be prepared to consider any other schemes of subsidy or assistance in any other shape that may be sent up by the Provincial Governments.

Now, Sir, coming to the question of area that has been raised by the Hon. Mr. Hossain Imam, I would also like to say a few words on the area brought under cultivation and the results attained. The figures of the area brought under cultivation have been the subject of considerable criticism. We have been trying our best to get at a figure which we can accept as reliable and place before the House. I want to give some calculation to satisfy the House that the figures we have arrived at are safe figures. As I said before, the total cotton land brought under foodgrains is 9 million acres. This is an absolutely reliable figure as it all relates to temporarily settled areas where careful and up to date records are maintained.

THE HON. MR. G. S. MOTILAL: Out of how much is that ?

THE HON. MR. S. M. DHAR: Out of a total of 24 million acres.

Now, coming to the other additional area which has come under cultivation as a result of our efforts, and I should say also as a result of the high prices, I think the following conclusion can be fairly drawn. We have got returns from the Provinces showing culturable waste-land. We find that the culturable waste-land in temporarily settled areas has gone down from 77·5 to 75·2 million cares, *i.e.*, by 2¼ million acres in the first two years of the Grow More Food campaign. We have got figures up to 1943-44 and later figures are not yet available but even accepting those figures we find a decrease of 2¼ million acres. I propose to leave out the permanently settled areas of Bengal, Bihar and Orissa where we have got absolutely no reliable records and I can vouch for that coming from that area. But taking the temporarily settled provinces alone, we find that the culturable waste-land had decreased from 77·5 million acres to 75·2 million acres, giving an increase of 2¼ million acres in cultivated land.

THE HON. PANDIT HIRDAY NATH KUNZRU: During what period?

THE HON. MR. S. M. DHAR: Up to 1943-44.

THE HON. PANDIT HIRDAY NATH KUNZRU: What does the Hon. Member compare it with?

THE HON. MR. S. M. DHAR: With 1938-39. That is really the average of two or three years up to 1938-39. Comparing that with the position reached in 1943-44, we find a decrease of 2¼ million acres in culturable waste-land, which is mostly marginal land, which has come under cultivation.

THE HON. MR. M. THIRUMALA ROW: How do you arrive at these figures? Have you had a survey made?

THE HON. MR. S. M. DHAR: These are taken from reports in respect of temporarily settled areas. On account of the revenue, careful records are maintained in respect of these areas. As I said, I have excluded the permanently settled areas where no records are kept. I am referring only to temporarily settled estates.

THE HON. SIR N. GOPALASWAMI AYYANGAR: How much of it was not cultivated? In other words, have you compared the area sown in 1938-39 with the area sown now?

THE HON. MR. S. M. DHAR: I am coming to that. I will explain it. That is our check.

Then, Sir, there is another head which was also referred to by some Hon. Members. That is current fallows. Now, we find, again with regard to the temporarily settled estates, that the current fallow has gone down from 33·9 million acres to 32·6 million acres, which means a reduction of 1¼ million acres—it is a little more, but I will stick to the lower figure—in current fallow: in other words, an increase of 1¼ million acres in cultivated land. So, the two together give an increase of 3½ million acres in cultivated land. That much additional land has been brought under cultivation.

Coming now to the point raised by the Hon. Pandit Kunzru, we had the above figure checked back with the actual area cultivated. Having got the figure, we wanted to be sure that it is not entirely wrong. Taking the cultivated area, again with regard to the temporarily settled estates, we find that the area of cultivated land has increased from 162 million acres—excluding Bengal, Bihar and Orissa—in the same period to 166 million acres, showing an increase of 4 million acres. So, working from the additional land brought under cultivation, we are getting 3½ million acres, and working on the additional marginal area sown during the same period, we get 4 million acres. So, I would submit that we can safely accept 3½ million acres—the lower figure—as the addition to our cultivated land.

Now, taking the 9 million acres of cotton land diverted to food crops, which I have given previously, and this 3½ million acres which I have just given, we get 12½ million acres which represents the addition to our cultivated area, and which is about 6 per cent. of our cultivation. Now, Sir, that 6 per cent. sounds very small. But when you think of the problem—I do not say that we have achieved all that we wanted to—it is not inconsiderable. As I pointed out, in England, from 11 per cent. cultivated land they have made it up to 20 per cent.; we have made up from 36 per cent. to 39 per cent. But considering the magnitude of our problem and the difficulties that we had with staff, with machinery, with everything that we have come up against, and the shortage of land, I think it has to be conceded that some progress has been made.

THE HON. MR. HOSSAIN IMAM: What is the total area of culturable waste-land for the whole of India?

THE HON. MR. S. M. DHAR: The total area for the whole of British India is about 92 million acres, as pointed out by one of the Hon. Members in this House

this afternoon; and 45 million acres is the current fallow. It is of that that I was speaking. I am overlooking altogether Bengal, Bihar and Orissa, and I am then arriving at the figure of 12½ million acres.

It is not possible to assess correctly the increase in yield obtained from better irrigation, better seeds and manures. But here also I would say that there must have been some appreciable result. We have seen ourselves—and I was dealing with the problem in Bihar—that wherever fertilizers have been used the yield has gone up considerably; we have seen that the application of one maund of ammonium sulphate per acre very definitely increased the yield by at least 25 per cent. One suggestion was made, again I think by the Hon. Mr. Hossain Imam, that most of the fertilizers went to the cash crops. I can assure Mr. Hossain Imam from my experience in Bihar that we have definitely earmarked not more than a certain quantity for allotment to the factories for sugarcane or for cash crops, and the rest is being put down for growing paddy.

THE HON. PANDIT HIRDAY NATH KUNZRU: Do Government claim that the entire increase in the cultivated area since 1938-39 is due to the Grow More Food campaign?

THE HON. MR. S. M. DHAR: I think I qualified myself right at the beginning. I anticipated this question and I had said "the Grow More Food campaign and the increase in prices". Along with the prices, we have also, I think, to give credit to the Grow More Food campaign. Much of this area has been brought under cultivation because of the irrigation facilities and the seeds and other facilities which have been subsidised by Government.

As I said before, we have made only a beginning, and there is yet much to be done. What we require most is organisation, staff, machinery and utilization of the resources of the country in producing power, fertilizers, implements, etc. As I have said before, the problem is not one of finance, for we have been able to find all the money that we require. This Department will be prepared to consider proposals for any other suitable form of subsidy sent up by Provincial Governments, and the question of finance is not expected to stand on the way. I submit, in the circumstances, that the Resolution as it stands is not necessary.

THE HON. SIR CYRIL JONES (Finance Secretary): Sir, the object of this Resolution, as defined by the Hon. Mover, is to induce the agriculturist to grow more food as a matter of immediate urgency. That objective, Sir, as my Hon. friend Mr. Dhar has said, is also the Government's. Relying on the terms of the Resolution, and as shown by the debate, another implication of this Resolution is that financial considerations should not be allowed to stand in the way of the attainment of the objective. Again the Government unreservedly and wholeheartedly agree. But when we agree that financial considerations should not be allowed to stand in the way of the attainment of that objective, that does not necessarily mean that financial considerations should be entirely disregarded and thrown to the winds. For instance, we conceived it of some assistance to subsidise the switch from cultivation of short-staple cotton to cultivation of foodgrains, and we gave a direct cash subsidy for that purpose to the short-staple cotton growers of Rs. 2 an acre, which has now been enhanced to Rs. 4 an acre; and we have secured extremely valuable results from the expenditure of that money. If we were to do the same thing in Bengal to stimulate a switch from the cultivation of jute to the cultivation of rice, that money would be entirely wasted so far as advantage to the public is concerned, because, as things stand at present, the cultivation of paddy in Bengal is so highly remunerative that whatever target of production of jute the Bengal Government lay down is not reached for the simple reason that it is more profitable to grow paddy. Therefore, Sir, I maintain that while we take the line that we will not allow financial considerations to stand in the way of dealing with the present food emergency, we must couple it with a caution that the money is well spent on useful schemes and that financial considerations are not entirely disregarded.

As I mentioned just now in a temporary interlude in this debate, the Resolution, as worded, has a financial basis or aspect which throws upon me the onus of replying to the debate, and while listening to the discussion I got the impression from certain

[Sir Cyril Jones]

speakers that they are proceeding on the basis that money is all that is required to solve our present difficulties. That, Sir, is obviously not true. Money may be a powerful weapon but there is much that it cannot do. For instance, the Hon. Mr. Hossain Imam said, " God has given us land and God has given us men " and he had the strongest objection to going with a begging bowl to the Combined Food Board in Washington asking for rice. God has given us land and God has given us men, but if God withholds his bounty of rain and if the waters of the Cauvery cease to flow and the Mettur Reservoir runs dry it does not matter whether we make a provision of Rs. 10 crores in this Budget or Rs. 100 crores or Rs. 1,000 crores, the Tanjore Delta will not produce its bounty of rice and paddy. That, of course, is rather stressing the obvious. But I submit, Sir, that the same considerations apply in other directions in this field. Provision of money will not enable manure to be produced *ad infinitum* ; provision of money will not enable tractors to be brought into the country or made in the country or utilised when there is a world shortage of tractors. Unlimited provision of money will not promote the development, production and distribution of improved seeds beyond what our trained man-power resources can supervise and bring about. But, during the course of the debate, I was forcibly struck by the aspect which was stressed by the Hon. Raja Charanjit Singh ; in particular, that certain speakers talk loosely about giving a subsidy without defining what they have in mind, on what basis thay would give the subsidy, by whom it should be distributed and so on. Members talk rather loosely about agriculture being unremunerative and ryots not being able to cultivate at a profit. Both the Hon. Mover and the Hon. Ft.-Lieut. Rup Chand said, " Give a subsidy to the agriculturist and he will cultivate his existing lands more intensively and he will bring new lands, at present uncultivated, under cultivation " which seemed to imply that they had at the back of their minds the grant of an overall subsidy on the production of all foodgrains, so that the production of foodgrains may be made more profitable. Now when we equate this to the demand that Rs. 10 crores should be raised by loan and distributed by way of subsidies, if it were on that basis, I have made a rough calculation which shows that we could give the cultivator an extra one anna a maund for his produce, or perhaps a little less, but certainly not more. That again, I would submit, Sir, would be a sheer waste of money. I hold firmly to the view and I understand that the Hon. Pandit Kunzru, by his recent interjection when the Hon. Mr. Dhar was speaking, shares that view, that the biggest and the most direct incentive to foodgrain production at the present time is the existing high level of agricultural prices. The very high level at which foodgrain prices stand at present should ensure that all the land which is normally cultivable is fully cultivated according to present agricultural practice. But Governments, both Central and Provincial, are out to improve very much on that position. They are out to improve both the yield per acre of existing lands and to bring under cultivation lands at present uncultivated and that is where, with discretion and judgment, financial assistance can most usefully be employed, and where it is an actual fact being employed. As my Hon. friend Mr. Dhar explained, we are in fact subsidising an increase in the area under foodgrain cultivation by paying very substantial subsidies towards the cost of anti-erosion measures, contour bunding, ridging and so on, jungle clearance and other forms of land reclamation, and grants for switch-over from cash crops to foodgrains. We are also giving considerable assistance to various means of improving the yield per acre, such as by concentrating on maximum efforts towards the production and distribution of improved seeds ; increased supply of fertilisers and manures of all kinds ; free distribution of seeds for green manure plants ; by subsidising the construction of wells and other minor irrigation schemes ; and last, but not least, by training and employing the additional agricultural staff which will supervise these various activities and also assist in the control and prevention of pests and diseases of crops both in the field and in storage. These are the lines on which Governments are moving. The measures are essentially within the Provincial field and the Centre has to rely largely on the Provinces for initiative and action. But the Central Government is giving every assistance and every encouragement to Provinces to produce schemes and to get ahead with them on practically a standing assurance that whatever the cost of them, the Centre will go half-and-half. That, briefly, Sir, is the line on which Government are acting.

And now I would like to come to the terms of the Resolution. The Resolution asks Government to float a loan for Rs. 10 crores. I ask, why Rs. 10 crores, because I have got no answer to that question during the debate. Rs. 10 crores might be less than the amount that can be usefully spent in the coming year or it might be more. It would be the flukiest of flukes if the amount that you can raise by loan at a given time happened to be just the right amount that you can usefully spend for a given object. What is the purpose of suggesting that we should raise a loan of Rs. 10 crores ? As the House is well aware, the Government of India are, and for some time have been, engaged on an all-out borrowing programme. We are borrowing from the Indian people and the Indian market every rupee that we can raise by way of borrowed funds. By floating a separate loan, an *ad hoc* loan, for 10 crores at the present time we should get no more loan money, no more resources, while for the reason that our borrowing programme is designed on an over-all basis both as regards terms and as regards timings of our various loans so as to raise the maximum amount of loan money, the intrusion of a particular loan of 10 crores on our over-all borrowing policy would hinder rather than help the raising of loan money. Then I would ask, what object would be gained by earmarking the proceeds of a particular loan for a particular purpose ? It seems to me essentially unsound to create special channels of receipts in the public fisc which would run direct into expenditure. We hear proposals from time to time that we should earmark such and such revenue for such and such purpose, that we should earmark the receipts from petrol duty for road construction works, that we should earmark the profits of the Reserve Bank for agricultural development, and now we are asked to earmark the proceeds of a particular loan again for a particular purpose. I submit, Sir, that if that process were accepted and adopted and carried through to its logical conclusion our whole budgetary system and our whole system of public finance would very quickly be reduced to chaos. Public finance is based on the well-known principle that all receipts go into the common purse, and from that common purse money is taken for such desirable and approved objects of expenditure as may be determined on a broad view of what the money should be spent on and how much in each case. We have a purse of two compartments, one to cater for loans and capital expenditure, and the other for revenue and revenue expenditure ; but there is an intercommunicating door between the two and if our revenue expenditure happens to exceed our current revenues it is possible to filter loan proceeds from the capital compartment into the revenue compartment. My view, therefore, and the view of the Government, is that nothing is to be gained, but on the other hand there are objections of principle, to the earmarking of funds, whether loan funds or revenue funds ; and the Government would find it quite impossible to accept the suggestion that we should earmark the proceeds of a particular loan for a particular purpose. That is not to say that the Government are not sympathetic towards the object underlying this Resolution. I do not know if the Hon. Mover is wedded to the terms of his Resolution. If he is, I am afraid, Sir, that in the form in which the Resolution stands we must oppose it. But the last thing we want to do is to oppose a Resolution of this nature calling for energetic action, without being hindered by financial considerations, in the interests of increasing the food supply of the country. We do not want to be forced to oppose a Resolution with this underlying object, because we whole-heartedly endorse it and it expresses the very object which is near and dear to the heart of the Government at the present time ; so if the Hon. Mover is not wedded to the particular form in which the Resolution stands at present and is prepared to accept the assurances that my Hon. friend Mr. Dhar and I have both given, that the Government will devote and bend all their energies to this supreme task and that they will not allow financial considerations to deter them from any useful step that can contribute to a solution of the present emergency, then, Sir, I trust that my Hon. friend the Mover will be so good as to withdraw his Resolution.

THE HON. MR. V. V. KALIKAR (to the Hon. Sir Cyril Jones) : Would you suggest an amendment to this Resolution which would be acceptable to the Government ? If that amendment is acceptable to this side, we shall accept the amended Resolution.

THE HON. SIR N. GOPALASWAMI AYYANGAR: May I suggest an amendment for your consideration, Sir ?

"This Council recommends to the Governor General in Council that a sum of Rs. 10 crores and if need be more, be made available during the Budget year for the purpose of subsidizing agriculturists to grow more foodgrains."

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): Let the Government Member propose the amendment.

THE HON. SIR CYRIL JONES: The difficulty about it is this. We do not know the extent to which we may be able usefully to subsidize Grow More Food schemes. But I give my assurance that, whether more or less is provided, whatever amount can be usefully spent will be spent. I would suggest something like this :—

"This Council recommends to the Governor General in Council that all possible steps be taken to increase the production of foodgrains and that such funds as may be necessary for the purpose be provided."

THE HON. SIR DAVID DEVADOSS: Kindly use the word "subsidizing". That seems to be the purport of his Resolution. We should say that such sum as may be necessary or available for subsidizing the agriculturist in order to grow more food be provided.

THE HON. MR. V. V. KALIKAR: May I suggest to my Hon. friend to accept the amendment suggested by Sir Gopalaswami Ayyangar ?

THE HON. SIR N. GOPALASWAMI AYYANGAR: I am not very much wedded to the mention of the 10 crores which, I believe, is what the Hon. Sir Cyril Jones takes objection to. We should put it in a more general form.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): Let the Hon. Member in charge of the Resolution suggest an amendment.

THE HON. SIR CYRIL JONES:

"This Council recommends to the Governor General in Council to make available such sums as can be utilised for subsidizing or otherwise encouraging the increased production of foodgrains."

THE HON. SIR DAVID DEVADOSS: "Subsidizing or otherwise encouraging agriculturists."

THE HON. SIR CYRIL JONES: We have to work through Provincial Governments. Whatever subsidies the Provincial Governments give we share half and half.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) (to the Hon. Sir Cyril Jones): Will you read your amendment ?

THE HON. SIR CYRIL JONES: Will this, Sir, meet the wishes of the House :—

"This Council recommends to the Governor General in Council that all possible steps be taken for encouraging by subsidization or otherwise increased production of foodgrains and that whatever funds are required for that purpose be made available."

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): It is not necessary to put the original Resolution to the vote. I will put the amended Resolution to the vote. Resolution moved :—

"That this Council recommends to the Governor General in Council that all possible steps be taken for encouraging by subsidization or otherwise increased production of foodgrains and that whatever funds are required for that purpose be made available."

THE HON. MR. HOSSAIN IMAM: Made available from where ?

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): That is understood.

The amended Resolution was adopted.

RESOLUTION *RE* POLITICAL STATUS OF AJMER-MERWARA

THE HON. MR. G. S. MOTILAL (Bombay : Non-Muhammadan) : I beg to move the Resolution which stands in my name. It runs thus :—

"This Council recommends to the Governor General in Council to appoint a Committee consisting of a majority of elected Members of both the Houses of the Indian Legislature to report on the best solution for raising the political status of Ajmer-Merwara to the level of other Provinces."

In the language of the Constitution of 1935 there are the Governors' Provinces on the one hand and also the Chief Commissioners' Provinces on the other. We have as many as five Chief Commissioners' Provinces. Ajmer falls under the category of the Provinces of the latter type. To mention them in alphabetical order, Ajmer-Merwara is one, Baluchistan is another, Coorg is third, Delhi is fourth and Panth Piploda is the fifth.

THE HON. SIR DAVID DEVADOSS : I think it is Pant Piploda. I don't know what the correct pronunciation is.

THE HON. MR. G. S. MOTILAL : You may pronounce it as you please but as far as I know it is Panth Piploda.

These Provinces are administered directly under the Centre. I shall deal much more with Ajmer-Merwara than state how the other Chief Commissioners Provinces are governed.

Ajmer is administered directly by the Centre through the A.G.G., that is the Agent to the Governor General, and they have also a Commissioner there. Ajmer has a certain amount of importance of its own. I will not go into a discussion of the ancient history of this place, for much of it will not be relevant to the purposes of the discussion of the Resolution under consideration but recent history is much more relevant and I shall have to refer to that.

The importance of Ajmer is due to the fact that it was the seat of that vast kingdom of one of the most illustrious Rulers of those days, namely, Prithwiraj Chauhan. That is its ancient history, but Ajmer has come to be renowned much more because there are two great shrines within that area. One is Pushkar Raj, a well-known place of Hindu pilgrimage where the orthodox people resort to, and the other is the Durgah of Hazrat Mueenuddin Chishti, and Muhammadans from various places of India visit that place for that reason. It is a place where one could find Hindu-Muslim unity. Not only the Muslims but Hindus also pay a visit to that Durgah if not as followers but as admirers of that great saint after whose name the Durgah was founded. That has given AjmerMerwara a particular importance. Its area is 2,700 square miles. It is a small Province with a population of about six lakhs of people. It passed under British rule sometimes in the year 1841 and from 1853 to 1858 it was governed from the Centre. Then this particular area was on to what was in those days known as the North West Province which later on came to be known as the United Provinces of Agra and Oudh. The Government of India of those days felt that they had to deal with the Rajputana States and the A.G.G., that is the Agent to the Governor General who was stationed in Ajmer was also the Chief Commissioner and as such he was subordinate to two authorities : one authority was that of the Governor General and the other of the Lieut-Governor of that Province, for in those days that Province was governed by a Lieut-Governor. This Agent to the Governor General was dealing with the States and they thought that if that officer was under the control of or was subordinate also to a Lieut-Governor he would not have the same weight and influence with the States as he would otherwise have if he was subordinate only to the Governor General. For these political reasons they separated those two districts from what I should now call the United Provinces. I suppose this took place in the year 1870, and since then it has continued to be a Chief Commissioner's Province. It was, and it still is, a non-regulated Province : that is, all the laws which obtain in other parts of India, in the provinces, do not apply there in the ordinary course, but only when they are applied there by the persons who are in authority there. This officer also used to be the highest judicial officer, and he himself felt that, having been appointed

[Mr. G. S. Motilal]

from the ranks of the Political Service, he could not do justice to judicial questions which went before him for decision. The people, on the other hand, were getting restive and were not satisfied with the conditions as they then obtained, and representations were made to the Government to improve the political conditions of the people of this area. As early as 1921 a committee was appointed, known as the Ashworth Committee. This Committee had one I. C. S. gentleman as a member, and the other two members were non-official Indians. The report which that Committee made in 1921 is interesting and also sheds light on the problem we are now discussing.

The terms of that Committee were :

"With a view to enable Ajmer-Merwara to participate in the reforms and on other grounds would it be advisable that Ajmer-Merwara should be retransferred to the United Provinces both administratively and judicially ? "

I need not read the other terms of reference. In their report they said :—

"Ajmer-Merwara is an isolated British province in Rajputana. It formerly consisted of two districts, Ajmer and Merwara, but since 1914 these have been merged into one. The area is 2, 711 square miles, with a population of a little under half a million."

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) : Please cut it short.

THE HON. MR. G. S. MOTILAL : I am reading the relevant portions so that the House may grasp the issues that are before it. The report goes on :—

" The province is therefore somewhat larger in area than the average districts of the United Provinces but there is a considerably smaller population."

Then, Sir, the report goes into the historical retrospect. The authors of the report say :—

" For the purpose of this inquiry a brief retrospect of the administration of Ajmer-Merwara is desirable."

But what I would say is, as I have already mentioned, I need not go into that. But what is of importance is this, that the Agent to the Governor-General for Rajputana could not spare sufficient time for the constant correspondence which his position as Commissioner under the Local Government entailed, while his subordination as Commissioner to a Local Government was detrimental to his influence as Agent with the Indian Princes ; that is, his influence with the Indian Princes was not considered to be of sufficient importance if he was subordinate to a Lieutenant Governor. Then they recommended :—

" The result of the administrative changes of 1914 is that the Province of Ajmer-Merwara is administered very similarly to a normal district of the United Provinces except that the Collector and Magistrate is not sure what functions of the High Court are performed by the Chief Commissioner. The merger, therefore, of the Province in the United Provinces as a district would entail no considerable dislocation of the administration."

They have given various reasons and their conclusion is :—

" Merger is the only means of securing to the Province complete participation in the reforms and administrative efficiency. An Advisory Board to the Chief Commissioner is not likely to satisfy political agitation for long, and a Legislative Council for Ajmer-Merwara is impracticable on various grounds. Immediate merger, however, is not desirable in view of the inability of Ajmer-Merwara to participate in the reforms during the life of the present Legislative Council of the United Provinces."

Therefore, they recommended that two years after that period, when elections might be held in the United Provinces, merger might be effected.

That happened in 1921. For some reason or other the recommendation was not carried out. I think a particular reason was that this Province was situated in the centre of States where the Governor General wanted an influential Agent.

That seems to be the reason why effect was not given to the recommendation of the Committee. I must also mention that the people of that area were not very enthusiastic, or united on this question. Some of them said that if they could have a small body of their own which would be able to influence the administration, they would prefer to have it. We have before us the example of the Chief Commissioner's Province of Coorg. It is a much smaller province. Its population is about 2 lakhs. This area also was then offered the choice of amalgamation with Madras or standing out and having a council of its own. For reasons of which they were the best judges, they preferred to have a small council of their own. Their territory was adjoining the territory of Madras, and merger would have been much easier in their case than in the case of Ajmer-Merwara. However, they took the decision; and implementing the decision, the Government of India gave them a small council of 20 members, 15 of whom are elected members and 5 are nominated members—of which this Government is so fond. This constitution is still functioning.

Now, Sir, it should not be a mere matter of sentiment which should decide these questions. What are the advantages and the disadvantages of having a separate constitution ? How will the area be in a position to function ? Should it remain attached to the Centre—which soon promises to be something very different ? These are the problems which have got to be considered both by the people and by those who are to make the final arrangements. So far as the expenditure and revenue of this Province are concerned, the latest figures show that in 1946-47, there is a budget provision of about Rs. 52 lakhs as expenditure and the revenue is about Rs. 30 lakhs. I do not think that the income-tax derived in that area is included in this revenue. It is purely a Provincial revenue but taxes on income are also derived from the people and the industry in that area. There are three ways of looking at the problem, whether to go over to the U. P., or to remain as it is and to have some form of representative institutions or to continue as a part of the Governor General's Province. These are questions which cannot be answered offhand. 20 years have gone by since this Report was made. Lots of changes have taken place and India is now on the threshold of having a sovereign Central Government of its own. All these will alter the situation. To answer all these questions satisfactorily a Committee should be appointed. The representative of that area in the Assembly, Diwan Bahadur Harbilas Sarda, who represented that constituency with very great credit, moved a Resolution in the Assembly when he was a member of that House. In 1937 or 1938 proposals were afloat for affiliation of this area with the U. P. Certain events happened and that did not materialise. The people of that area have again got to consider this question. The representative now from that area gave notice of a similar Resolution in the other House, but it is not so easy to get a Resolution discussed in that House and so he is not sure when it may come up. But this is the demand of the people now. They cannot remain satisfied with the present arrangement. The Government of India are the highest authority. The Government of India have been impressing on the States that they have got to come in line with the times. Indian States, the largest of them being Jaipur and Jodhpur, have also provided some sort of constitution. I am not quite aware of all the details of that constitution, but they have provided popular Assemblies. Would it now be in the fitness of things that the area which is now administered by the Government of India should remain without any representative institution ? In the proposed Federation one seat was provided in the Lower House and one in the Upper House for that area. Every Province has representation in the Federation as well as in the Provincial House. These two seats are nothing to compensate for having some sort of control over their local affairs and that would be a very healthy thing to do. I am not saying that they should have a Provincial Council. The Committee has got to consider whether their resources, development, and stage of evolution would warrant the working of an institution like that. All these various questions require consideration. For that purpose a Committee should be appointed so that it may go into the various details, collect data and present them before the constitution-making body. It will be ready and handy material which will come before the constitution-making body and would naturally receive due consideration. Sir, this is the proper time for appointing such a committee.

THE HON. SIR MAHOMED USMAN (Leader of the House): Sir, I have listened to the speech of the Hon. Mr. Motilal with very great interest. The House should be very grateful to him for the wealth of information that he has placed before it, but he has omitted to mention certain glaring facts which alone should decide the fate of this Resolution.

The Mover of the Resolution recommends the setting up of a Committee consisting of a majority of the elected members of both Houses of the Legislature to report on the best solution for raising the political status of Ajmer-Merwara to the level of other Provinces, which I take it, means the same status as the Governors' Provinces. Ajmer-Merwara is a very tiny Province with an area of 2,400 square miles and a total population of 583,693. The revenue derived from the Province is quite inadequate to meet the expenditure that would be necessary if Ajmer-Merwara is elevated to the status of a Governor's Province.

2. In 1921 the Government of India set up a Committee to consider and make recommendations regarding the administrative and judicial arrangements for Ajmer-Merwara. The Committee considered that the establishment of a Legislative Council for the Province was out of the question and that the most suitable arrangement would be to amalgamate it with the neighbouring United Provinces. The Government of the United Provinces, however, was at that time against such an amalgamation. In the end it was decided that one seat in the Central Legislative Assembly should be provided for Ajmer-Merwara. In 1925 Rai Sahib Harbilas Sarda moved a resolution in the Legislative Assembly recommending the establishment of a Legislative Council for Ajmer-Merwara. The resolution was debated at length and rejected by 41 votes to 26. It is true that Coorg, which is a smaller Province than Ajmer-Merwara, has a Legislative Council, but that Province is self-supporting whereas in 1943-44 the total revenue from Ajmer-Merwara was Rs. 23,48,000 and the expenditure Rs. 29,57,000.

3. So much for the administrative difficulties. Turning to the practical aspect, the question of the status of Chief Commissioners' Provinces, including Ajmer-Merwara, in a future India is one of the matters which will have to be considered by the Constitution-making body which it is proposed to set up. This being the position, no useful purpose will be served by setting up a Committee at present to consider the question.

4. In the circumstances I would request the Hon. the Mover of the Resolution to withdraw it. If, however, the Motion is pressed to a division, the Government would oppose it.

THE HON. MR. SURPUT SING (West Bengal: Non-Muhammadan): Sir, although I come from Bengal, yet as I have retained some interest in Ajmer-Merwara, I have to support the Resolution which has been moved by the Leader of my Party. Sir, from the outset of the new Indian Constitution, the political status of Ajmer-Merwara has been agitating the minds of those interested in the affairs of that small minor province. So far back as 1922 on a cut motion by Mr. Jamnadas Dwarkadas in respect of Ajmer-Merwara, to be found in the proceedings of the Legislative Assembly of 18th March 1922, Mr. Denys Bray in reply thereto said that the Government were making every effort to retrench Ajmer-Merwara entirely by foisting it on to another province but had not yet succeeded. Then, Sir, again on a question in the Central Assembly regarding the political status of Ajmer-Merwara by Mr. Badridutt Pande, on the 10th February 1938, Sir Henry Craik, although, trying to avoid the question whether the people wanted to be merged with U.P. indirectly admitted that he had received an advance copy of a representation to that effect. Finally, when again the self, same question of the political status of Ajmer-Merwara was raised by Mr. C. N. Muthuranga Mudaliar in the Assembly, the then Home Member, Sir Henry Craik, had to admit that the question of the future constitution of the province arose indirectly in course of his conversation with a number of local people whom he met in Ajmer when he had occasion to go there to hold some administrative enquiry. Thus, Sir, from 1922 onwards up to 1938 the question of the political status of Ajmer-Merwara was kept alive by some person or other

interested therein in the Central Legislature. But, unfortunately, although there was the admission that there had existed an urge for the change of the status of Ajmer-Merwara, nothing was done so far. Then came the Statutory Commission, which also went into the question. But the demand for a separate province for Ajmer-Merwara was turned down by them, first as it was too isolated a place to be included in any of the Governor's Province and inasmuch as in their opinion no Legislative Council could be made for so small a province and also because the distance from the nearest Governor's Province precluded its amalgamation with the nearest Governor's Province. And also because of differences of law, customs, and administrative interests, a large number of people preferred the existing order of things. So the whole question was dropped for the time being, despite a very strong body of vocal opinion to the contrary. But with the advance of knowledge and information, with the progress of ideas and trends of political thought, a large section of both vocal and unvocal people have been sighing for a change. In their opinion the province has outgrown its state of tutelage and requires to be placed in the category of a full-fledged province, or in default to be amalgamated with one such province. Improvements in many aspects are urgently called for, especially in the matter of irrigation to ward off periodical famines and in that of tenancy legislation to improve the condition of rack-rented tenants and in rural education to remove the ignorance of the mass. The agitation of the people has found expression in many ways. So when there is a talk of re-constitution of the different provinces, the question of the future political status of Ajmer-Merwara naturally comes to the forefront. There is the growing aspiration of the people combined with the talk of the impending changes. In such circumstances the recommendation of my Hon. friend is most opportune and should find acceptance in this House.

THE HON. MR. G. S. MOTILAL: Sir, I want to say a few words by way of reply to the Hon. the Leader of the House. What he has said on this occasion disclosed perfectly and quite clearly that in spite of the new orientation this Government remains as die-hard as it has been during the last 20 years. If the Government has any desire at all to help the constitution-framing body, they should have welcomed this Resolution and appointed a committee straightaway with one, if I may be permitted to mention the name of an eminent colleague of ours, like Pandit Kunzru as the Chairman of the Committee. That Committee would have done very useful work and collected the necessary data and enabled the constitution-framing body to take that into consideration and go ahead. But that facility is not to be afforded to the constitution-making body as far as this Government can help. This is the plain meaning of the Government's answer. Do we not know that a smaller province than Ajmer-Merwara, namely, Coorg, has got a Council of its own? Then where is the force in the Hon. Member saying it is a small tiny province? I have myself stated that. I am not saying that you should necessarily have that small tiny province altogether separate. Why cannot the same financial treatment be continued in the case of Ajmer-Merwara which it is now receiving and which other provinces receive? Subsidies are given to other provinces. But I am not advocating it today. All that I am suggesting is that a committee be formed to consider all this and make recommendation and place the data before the constitution-making body. Very clearly, I say, this Government is not prepared to render that help. Well, Sir, in the circumstances we shall vote for the Resolution.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): Resolution moved:—

"This Council recommends to the Governor General in Council to appoint a Committee consisting of a majority of elected members of both the Houses of the Indian Legislature to report on the best solution for raising the political status of Ajmer-Merwara to the level of other provinces."

The question is that the Resolution be adopted.

The Motion was negatived.

RESOLUTION *RE* ENTRY OF INDIANS INTO KENYA

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : Mr. Chairman, I beg to move :—

"This Council recommends to the Governor General in Council to urge His Majesty's Government that—

(*a*) as the war is over the entry of Indians into Kenya should not be subject to any direct or indirect restrictions ;

(*b*) in the reorganised Executive Council of Kenya, Indians should be appointed to hold charge of portfolios to the extent that non-official Europeans are ; and

(*c*) in any arrangements made for the establishment of an inter-territorial organisation in East Africa, Kenya should not be allowed to occupy a predominant position."

Sir, it is a quarter to five now. May I suggest that I may be allowed to reserve my speech till the next non-official day ?

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) : Is Government agreeable to adjourning the House ?

THE HON. SIR MAHOMED USMAN (Leader of the House) : Yes, I think so.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) : The debate on this Resolution will proceed on the next non-official day.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) : I have a message to deliver to you. With reference to the announcement made by the President on the 20th March 1946, regarding nominations to certain committees, I have to announce that the following Hon. Members have been nominated for election to the following Committees :—

STANDING COMMITTEE FOR THE FOOD DEPARTMENT

1. The Hon. Mr. V. V. Kalikar.
2. The Hon. Mr. S. K. Roy Choudhury.
3. The Hon. Mr. M. N. Dalal.
4. The Hon. Saiyed Mohamed Padshah Sahib Bahadur.
5. The Hon. Mr. M. Ct. M. Chidambaram Chettyar.

There are five candidates for five seats and I declare them duly elected.

STANDING COMMITTEE FOR LEGISLATIVE DEPARTMENT

1. The Hon. Mr. P. N. Sapru.
2. The Hon. Mr. S. K. Roy Choudhury.
3. The Hon. Hajee Syed Mohamed Hussain.

There are three candidates for three seats and I declare them duly elected

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STANDING COMMITTEE FOR EDUCATION DEPARTMENT

1. The Hon. Mr. M. Thirumala Row.
2. The Hon. Pt. H. N. Kunzru.
3. The Hon. Mr. Mohendra Lal Das.
4. The Hon. Sir K. R. Menon.
5. The Hon. Saiyed Mohamed Padshah Sahib Bahadur.

There are five candidates for five seats and I declare them duly elected.

STANDING COMMITTEE FOR PLANNING AND DEVELOPMENT DEPARTMENT

1. The Hon. Rai Bahadur Sri Narain Mahtha.
2. The Hon. Mr. J. M. B. Gibbons.
3. The Hon. Saiyed Mohamed Padshah Sahib Bahadur.
4. The Hon. Mr. Hossain Imam.
5. The Hon. Mr. Surput Singh.

There are five candidates for five seats and I declare them duly elected.

CENTRAL ADVISORY BOARD OF EDUCATION

The Hon. Mr. P. N. Sapru.

There is one candidate for one seat and I declare him duly elected.

In regard to the following Committees as the number of candidates nominated is more than the number of seats for these Committees elections will be held on Wednesday the 3rd April, 1946 :—

1. Standing Committee for the Home Department.
2. Standing Committee for the Labour Department.
3. Standing Committee for the Agriculture Department.
4. Advisory Board of Archaeology.
5. Indian Central Tobacco Committee.
6. All India Council for Technical Education.

STATEMENT OF BUSINESS

THE HON. SIR MAHOMED USMAN (Leader of the House): Sir, I suggest that we meet again on Friday, the 29th, when it is hoped that the Finance Bill will be taken up for consideration. We are not sure when the Finance Bill will come up but we hope it will be ready on Friday morning.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): That is a good suggestion.

THE HON. SIR DAVID DEVADOSS (Nominated Non-Official): I suggest that we be informed on Thursday evening whether we shall have any work at all on Friday.

THE HON. SIR MAHOMED USMAN: In any case, we can answer the questions. I think we should not lose the question hour. There are so many questions to be asked. Let us meet and dispose of those questions.

SOME HON. MEMBERS: We agree that the questions should be disposed of.

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern: Non-Muhammadan): Does the Hon. Member suggest that the debate on the Finance Bill will be taken up on Friday or that the Bill will be laid on the table?

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): The Bill will be laid on the table and the debate will continue. The President has the power to waive the time-limit for laying the Bill on the table of the House.

THE HON. SIR MAHOMED USMAN: I think we all know the procedure. If the Finance Bill is received late the President can waive the usual time limit and discussion can start immediately.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): The 31st is a holiday again.

THE HON. SIR MAHOMED USMAN: The discussion on the Finance Bill takes two days and if the Bill is received by Friday morning we can have a discussion on Friday and Saturday. I do not think it will be possible to take it up either tomorrow or the day after but it may be possible for us to take it up on Friday morning.

The Council then adjourned till Eleven of the Clock on Friday, the 29th March, 1946.

COUNCIL OF STATE

Friday, 29th March, 1946

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

MEMBERS SWORN

The Hon. Sir Eric Conran-Smith (War Transport Secretary).

The Hon. Mr. Nivarti Sundaresan (Nominated Official).

QUESTIONS AND ANSWERS

Distribution of Wages in Ordnance Factories

216. Flight Lieut. the Hon. RUP CHAND: Will Government lay on the table statements showing the frequency distribution of wages of the largest classes of workers employed in Government ordnance factories in December 1944 and in December 1945 in respect of (*i*) daily wages (*ii*) monthly wages?

The Hon. Sir MAHOMED USMAN (on behalf of Industries and Supplies Department): The information is being collected and will be placed on the table of the House in due course.

Appointment of a Joint Director General of Archaeology

217. The Hon. Pandit HIRDAY NATH KUNZRU: Are Government considering the appointment of a Joint Director of Archæology or an officer of similar rank? If so, do they propose to appoint an officer recruited in England?

The Hon. Sir MAHOMED USMAN (on behalf of Education, Health and Agriculture Department): Government have already sanctioned the creation on a temporary basis of a post of Joint Director General of Archæology and the appointment thereto of Dr. N. P. Chakravarti, an officer of the Archæological Department. The second part of the question does not therefore arise.

Protection to the Iron and Steel Industry

218. The Hon. Mr. SURPUT SING: Will Government state:

(*a*) Whether the Indian iron and steel industry has been bounty-fed; if so, when was the bounty first given and for what purpose?

(*b*) The amount of the bounty given?

(*c*) Whether the Indian iron and steel industry has also enjoyed protection; if so, since when?

(*d*) Whether under the protection scheme consumers have to fall back upon the protected goods manufactured in India?

The Hon. Mr. Y. N. SUKTHANKAR: (*a*) Yes, Sir. The bounty in respect of steel manufactured in India was first given from 1st October 1924 onwards. The object of the bounty was to supplement the protection afforded to the industry, which was found to be insufficient.

(*b*) Rs. 2,08,70,400.

(*c*) Yes, Sir, since 1924.

(*d*) No. The consumer's choice is not restricted. The object of a scheme of protection is merely to give the domestic product a choice of competing on equal terms with the imported product in the Indian Market.

The Hon. Mr. M. THIRUMALA ROW: Will the Hon. Member give us the number of companies who enjoy this bounty?

The Hon. Mr. Y. N. SUKTHANKAR: I must ask for notice.

The Hon. Mr. M. THIRUMALA ROW: Are they all Indian, or are there also foreign companies?

The Hon. Mr. Y. N. SUKTHANKAR: Again notice, Sir.

Note.—The Hon. Rai Bahadur Sri Narain Mahtha put the questions standing against Fl. Lieut. the Hon. Rup hand.

WITHDRAWAL OF IRON AND STEEL CONTROL ORDER

219. THE HON. MR. SURPUT SING: Will Government state:

(*a*) Whether the Iron and Steel Control Order intended curtailment of civil requirements for release of the output for military needs ?

(*b*) Whether blackmarketing operations have come to the notice of the Controller and Deputy Controller of Iron and Steel in Calcutta and Bombay ?

(*c*) Whether with the easing of the situation the Iron and Steel Control Order and restrictions will be withdrawn ; if so, when ?

THE HON. SIR MAHOMED USMAN (on behalf of Industries and Supplies Department): (*a*) Yes, Sir.

(*b*) There are always persons ready to black-market in scarce and controlled commodities but every effort has been and is being made to stamp these out in steel. The situation has improved since the war ended and I hope will soon be normal.

(*c*) The present supply position does not permit complete withdrawal of the control, but it is being gradually relaxed Licensing is being abolished this month and the Controller will concentrate on placing steel within the reach of the general public.

USE OF PLYWOOD

220. THE HON. MR. SURPUT SING: Will Government state:

(*a*) Whether plywood used to be imported into India from Canada and U.S.A. for the manufacture of boxes for the export of tea abroad?

(*b*) Whether as a result of the stoppage of plywood from abroad due to war conditions a nascent industry of it sprang up in the country during the last five years or so ?

(*c*) Whether plywood boxes of Indian manufacture were plentifully used by the exporters of tea during the war ?

(*d*) Whether with the gradual return of pre-war conditions and on the expectation of the foreign product soon coming in, the use of the Indian made plywood boxes is being discouraged by the exporters ; if so, what is the policy of Government with regard to that growing industry reared and fostered with Indian capital and labour during the emergent period of the war, in their post-war reconstruction scheme ?

(*e*) Whether it is a fact that permission for export of the Indian stuff abroad by the manufacturers here is not given ?

THE HON. SIR MAHOMED USMAN (on behalf of Industries and Supplies Department): (*a*) Yes Sir. Mainly from Baltic countries before 1941 and from North America since.

(*b*) There has been a great increase in the number of plywood factories and in total production during the war. This development was caused not by stoppage of imports but by increased war demands and restricted availability of plywood shooks from North America. There was no actual stoppage of imports.

(*c*) Yes, Sir. Especially during 1942 and 1943. The quality of indigenous plywood has however been found to be unsatisfactory.

(*d*) Yes, Sir. Exporters of tea definitely prefer imported tea chests as the quality of Indian plywood is generally inferior. The policy of Government is to encourage and assist Indian factories to produce plywood suitable for tea chests. To this end, Government obtained the views of an export from the U.K. in 1945. The specific steps to be taken to promote the industry are under study in the Directorate General of Industries and Supplies in co-operation with the Forest Research Institute.

(*e*) No, Sir. Any restriction on export is for good reasons. Good quality plywood is needed in India and Government do not wish to encourage production of inferior qualities for export. Such production will, besides wasting raw material which can be put to better use, damage India's reputation in overseas markets.

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS: Which of the three qualities—aerial, commercial or marine—was found to be deficient ?

THE HON. SIR MAHOMED USMAN: Notice, Sir.

THE HON. MR. M. THIRUMALA ROW: With regard to (*d*), do Government propose to encourage the industry by giving due protection against foreign competition ?

THE HON. SIR MAHOMED USMAN: Notice, Sir.

TEA PRICES

221. THE HON. MR. SURPUT SING: Will Government state:

(*a*) The nature and composition of the body or organisation which grades, reserves for export and fixes the prices of the different varieties of tea in the Indian market ?

(*b*) Whether there are any Indians on that body representing Indian interests; if so, what are their names; if not, what are the reasons for Indians not being included in the body ?

(*c*) The places where gradation and fixation of the prices of tea are done; and the people who do it ?

(*d*) How many tea gardens are European-owned and how many Indian-owned ?

THE HON. MR. Y. N. SUKTHANKAR: (*a*) and (*c*). There is no body or organisation that grades or reserves tea for export and fixes the price of tea in the Indian market. Each individual garden does its own grading at the garden itself and reserves for export such of its produce as it may like. Teas for Indian market are sold by public auction or by private negotiation and prices are fixed by operation of laws of demand and supply.

(*b*) Does not arise.

(*d*) The information is not readily available.

PUBLICATION OF A LIST OF MACHINERIES SURPLUS TO GOVERNMENT FOR SALE

222. THE HON. MR. SURPUT SING: Will Government state:

(*a*) Whether considerable special types of machineries for turning out special kinds of manufacture have been imported into the country during the years of the war ?

(*b*) Whether those machineries have been employed both in Government and private factories and workshops, for production of war materials ?

(*c*) Whether such import of machineries was considerably higher than what it was during the years just preceding the war ?

(*d*) Whether those imported machineries are still contemplated to be held by the factories and workshops concerned when production of the war materials is no longer required ?

(*e*) Whether a portion of the machineries brought out for special purposes will be offered for sale to the public when heavy machineries are not forthcoming from abroad; if so, whether Government will publish a list of those machineries which can be spared for sale without detriment to the Government work ?

THE HON. SIR MAHOMED USMAN (on behalf of Industries and Supplies Department): (*a*), (*b*) and (*c*). Yes, Sir.

(*d*) I think the Hon. Member refers to equipment in Government factories and workshops. What is no longer necessary for the peace-time requirements of Government will be offered to the public under the widest publicity.

(*e*) Yes. The Director General of Disposals will publicise surplus equipment in monthly catalogues, and it is hoped to issue the first catalogue next month.

CONTRIBUTION TO THE DOLLAR POOL

223. THE HON. MR. G. S. MOTILAL: Will Government state the quantum of India's contribution to the dollar pool from its inception up to the end of December 1945.

THE HON. SIR CYRIL JONES: I would invite the attention of the Hon. Member to paragraph 29 of the Finance Member's Budget speech for 1946-47.

THE HON. MR. G. S. MOTILAL: Is there nothing to be added to it?

THE HON. SIR CYRIL JONES: I have nothing to add to it.

SCARCITY OF FOUNTAIN PENS

224. THE HON. MR. G. S. MOTILAL: (*a*) Are Government aware that since the withdrawal of the control over sale of fountain pens, they are not available except at black market prices?

(*b*) What steps do Government propose to take in this matter?

THE HON. SIR MAHOMED USMAN (on behalf of Industries and Supplies Department) (*a*) Government are aware that supplies of fountain pens have not been as satisfactory as was hoped for with the cessation of hostilities. Fountain pens were removed from the purview of the Consumer Goods (Control of Distribution) Order on 1st December 1945, after consultation with the provinces, since it was then felt that the supply of ordinary fountain pens was good and expensive fountain pens could not be regarded as essential consumer items. This was done in pursuance of Government's policy to relax controls gradually. Some of the Provincial Governments which were controlling sales through a permit system have also given up such control. The controlled prices, however, still continue to be in force—see the Government of India Notifications dated 13th October 1945 and 2nd February 1946. Presumably the provincial authorities who are responsible for enforcement, will be prepared to take action if specific breaches of the law are brought to their notice.

(*b*) As I have explained in the answer to (*a*) enforcement in such fields is for the Provincial Government. We have already written to the Director of Civil Supplies, Delhi drawing his attention to the powers which still remain and intend to invite the attention of Provincial Governments also to them.

THE HON. MR. G. S. MOTILAL: Will Government then withdraw the control of price so that it may be really known at what price it can be had?

THE HON. SIR MAHOMED USMAN: The Hon. Member's suggestion will be considered.

THE HON. MR. M. THIRUMALA ROW: Are Government aware that the medium size fountain pens are sufficiently available in the market?

THE HON. SIR MAHOMED USMAN: That is my information.

THE HON. MR. HOSSAIN IMAM: We want statistical information whether imports are sufficiently large or small.

THE HON. SIR MAHOMED USMAN: Notice of the question, Sir.

EXPORT OF RICE

225. THE HON. MR. G. S. MOTILAL: (*a*) Has Government's attention been drawn to a report published in *Harijan* at page 27 of this year of recent export of 22,504 tons of rice from Calcutta, contrary to Government's declared policy?

(*b*) What are the correct facts?

THE HON. SIR JWALA PRASAD SRIVASTAVA: Government have seen the statement alleging that 61,797 tons of rice was exported from Calcutta during the period May to October 1945.

The facts are that the above mentioned quantity includes shipments of 16,000 tons of rice to Mysore through Marmagoa and 42,000 tons of rice to Ceylon. The latter quantity was sent to Ceylon on a replacement basis and has been made good by H.M.G. by imports. The balance of 4,000 tons, which remains unaccounted for, is explained by the the fact that the quantity sanctioned for loan to Ceylon was 46,000 tons of which only 42,000 tons was actually shipped.

THE HON. MR. G. S. MOTILAL: Does the Hon. Member say that the part is larger than the whole? How could the total be 22,000 tons and yet shipments to one place were 16,000 tons and to another place 42,000 tons?

THE HON. SIR JWALA PRASAD SRIVASTAVA: I have explained that. The balance of 4,000 tons which remains unaccounted for is explained by the fact that the quantity sanctioned for loan to Ceylon was 46,000 tons out of which only 42,000 tons was actually shipped.

THE HON. MR. G. S. MOTILAL: What was the total quantity shipped ?

THE HON. MR. HOSSAIN IMAM: The question is that 22,000 tons were exported. Out of this, how could 42,000 tons be exported and still leave a balance of 4,000 tons ?

THE HON. SIR JWALA PRASAD SRIVASTAVA: The answer is there. I do not see any discrepancy.

THE HON. MR. HOSSAIN IMAM: How can 42,000 be taken out of 22,000 and still leave balance of 4,000 ? It is ordinary mathematics. The Hon. Member himself is a scientist.

THE HON. SIR JWALA PRASAD SRIVASTAVA: I used to be.

THE HON. SIR RAHIMTOOLA CHINOY: Is not the figure given in the *Harijan* a wrong figure ?

THE HON. SIR JWALA PRASAD SRIVASTAVA: I have referred to the figures. I do not vouchsafe for the accuracy of the figure in the *Harijan*.

THE HON. SIR SHANTIDAS ASKURAN: You are giving the figure for the whole time. The Hon. Member has only asked about the recent shipment of 22,000 tons.

THE HON. SIR JWALA PRASAD SRIVASTAVA: I have given you the figure of 16,000 tons and 42,000 tons.

THE HON. SIR N. GOPALASWAMI AYYANGAR: Did not the Hon. Member say that the total quantity shipped was somewhere over 60,000 tons ?

THE HON. SIR JWALA PRASAD SRIVASTAVA: That is the statement alleged that so much was shipped. Government have seen that statement. That is not our statement.

THE HON. MR. M. THIRUMALA ROW: The Hon. Member said that it was on a replacement basis by H.M.G. Wherefrom has it been replaced and when was it replaced. ?

THE HON. SIR JWALA PRASAD SRIVASTAVA: I want notice of that question, but, as far as I remember, it has been sent to us from the Middle East, *i.e.*, Egypt. That is as far as I remember. I speak subject to correction.

STORY OF THE ESCAPE OF MR. SUBHAS BOSE

226. THE HON. MR. M. THIRUMALA ROW: (*a*) Has the attention of Government been drawn to a series of articles being published in the *Hindustan Times* by one Mr. Uttam Chand giving the story of the escape of Sri Subhas Bose from India ?

(*b*) If so, have Government any material in their possession to confirm the story as revealed in the articles ?

(*c*) If the answer to (*b*) is in the affirmative, since how long were they in possession of these facts ?

THE HON. MR. A. E. PORTER: (*a*) Yes.

(*b*) and (*c*). It is not in the public interest to reply.

THE HON. MR. M. THIRUMALA ROW: Am I to understand that Government have some information with regard to this matter in their possession ?

THE HON. MR. A. E. PORTER: The Hon. Member will understand that it is not in the public interest to reply to parts (*b*) and (*c*) of his question.

THE HON. MR. M. THIRUMALAROW: I have not asked you to divulge your information but I want to know whether it is a fact that you have got some information about it.

THE HON. MR. A. E. PORTER: Sir, I have answered the question.

REGISTRATION OF ARCHITECTS

227. THE HON. MR. M. N. DALAL: (*a*) Are Government aware that on the 11th November 1941, a Resolution was moved in this Council for the registration of Architects on lines similar to those adopted in the registration of the professions of Auditors, Medical and Legal Practitioners?

(*b*) Have Provincial Governments been consulted to find out how far they are willing to co-operate?

(*c*) Are Government aware that the then Labour Member, Sir Feroz Khan Noon, gave the following assurance in this House:—

"This Resolution has the entire sympathy of Government and Government will try and take up this matter as soon as it is convenient. It may be that we shall have to leave it till after the war, but still you have the sympathy of Government".

(*d*) Do Government propose to implement this assurance; If so, when?

THE HON. MR. H. C. PRIOR: (*a*) and (*c*). Yes.

(*b*) Not yet.

(*d*) The matter is now under the active consideration of Government and Government propose to hold shortly a conference to which leading architects will be invited so as to have their advice before a proposal is framed.

REMOVAL OF BENGAL AND ASSAM RAILWAY OFFICES FROM DACCA TO CHITTAGONG

228. THE HON RAI BAHADUR SATYENDRA KUMAR DAS: Will Government state whether they are aware of:

(*a*) The proposals of the removal of the B. & A. Railway offices from Dacca to Chittagong? If so, the reasons for the proposed removal of the said offices?

(*b*) The protests by representatives of the public association at Dacca against the removal?

THE HON. SIR ERIC CONRAN-SMITH: (*a*) As a part of the war dispersal scheme, a number of the B.A. Railway offices were removed temporarily from Chittagong to Dacca. Accommodation was provided at Dacca in a portion of the Eden College which has now to be vacated. The Railway Office Building at Chittagong which is at present in the occupation of the military authorities and which will be vacated in the near future, will be used again for the Railway offices. Dacca was a Railway District Headquarters station in pre-war years and will continue as such.

(*b*) Yes. Protests have been received from certain organisations but these do not appear to take into account the fact that the shifting of the offices is merely a reversion to pre-war conditions, and is administratively necessary.

PETROL

229. THE HON. MR. G. S. MOTILAL: (*a*) How much petrol was used in India before the war by the civil population?

(*b*) How much will be available to the civil population during each quarter of this year?

THE HON. SIR ERIC CONRAN-SMITH: (*a*) During 1938 the civil consumption of petrol in India was just under 100 million gallons.

(*b*) The amount of petrol available for civil consumption in India during 1946 will depend upon supplies allotted during the year, and I am unable to forecast what amount will be available during each quarter.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY: When will the rationing of petrol end?

THE HON. SIR ERIC CONRAN-SMITH: If I were a prophet I would reply to the Hon. Member's question. All I can say at present is that so far as we can see, rationing will continue for some little time to come.

THE HON. SIR SHANTIDAS ASKURAN: How much do we get from the Attock Oil Company, India, in proportion to the total consumption in the country?

THE HON. SIR ERIC CONRAN-SMITH : I am afraid I must ask for notice of that question.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY : Is there any chance of increasing the basic ration next quarter ?

THE HON. SIR ERIC CONRAN-SMITH : To that, Sir, I can only give the answer I gave to the previous supplementary question. At present I am unable to foresee.

THE HON. MR. HOSSAIN IMAM : Is any endeavour being made to reduce the military consumption ?

THE HON. SIR ERIC CONRAN-SMITH : Yes, Sir.

THE HON. MR. HOSSAIN IMAM : Are we getting petrol for defence use free of charge from H.M.G. as we were doing during the war ?

THE HON. SIR ERIC CONRAN-SMITH : That does not arise out of this question, Sir.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY : The basic ration coupons will be issued from next April. Can the Hon. Member say whether there is any chance of the basic ration being increased ?

THE HON. SIR ERIC CONRAN-SMITH : I am sorry I misunderstood the Hon. Member. I thought that he was referring to the quarter after next. There will be no change in the immediately succeeding quarter.

THE HON. MR. M. THIRUMALA ROW : Has the situation in the Middle East namely, Russia and Iran, had any effect on the petrol position ?

THE HON. SIR ERIC CONRAN-SMITH : I have no informotion on that point.

THE HON. KHAN BAHADUR KERAMAT ALI : Is any petrol available from outside India for the Indian Army ?

THE HON. SIR ERIC CONRAN-SMITH ; Yes, certainly.

THE HON. MR. G. S. MOTILAL : What is the difficulty of getting supply of petrol ?

THE HON. SIR ERIC CONRAN-SMITH : Chiefly : I think shortage of dollar and dollar tankers.

THE HON. MR. HOSSAIN IMAM : What about the Persian Oil Companies refineries ? That is in a sterling area.

THE HON. SIR ERIC CONRAN-SMITH : But the allocation of petrol in the sterling areas is on a global basis ; that is, the petrol available in the sterling areas is distributed throughout all the sterling areas.

THE HON. MR. HOSSAIN IMAM : Who is the authority for distribution ? Can we not ask them for more ?

THE HON. SIR ERIC CONRAN-SMITH : H. M. G.

THE HON. MR. HOSSAIN IMAM : Can we not ask them for more ?

THE HON. SIR ERIC CONRAN- SMITH : The Government of India have already pressed India's needs on H.M.G. and as soon as more petrol is available India's needs will be met.

THE HON. MR. HOSSAIN IMAM : How long will the Burma fields take to produce petrol ?

THE HON. SIR ERIC CONRAN-SMITH : I have no information.

THE HON. MR. HOSSAIN IMAM : What about Java ?

(No answer.)

DELAY IN TRAIN SERVICES ON THE O. T. RAILWAY

230. THE HON. RAJA YUVERAJ DUTTA SINGH : (*a*) Has the attention of the Government been drawn to a letter published in the " Pioneer, dated the 18th January, 1946 (late city edition), over the signature of Raja

Maheshwar Dayal Seth of Kotra, regarding irregularity and delay in the train service of the O. T. Railway, the want of lights in the compartments, the absence of water in the bath room, the unauthorized entry of police sub-inspectors and constables with third class tickets into higher class compartments and the absence of Guard from his post of duty ?

(*b*) Are Government aware that the state of affairs referred to in the letter is more or less a normal feature on the O. T. Railway ? Do Government propose to enquire fully into the complaints, to bring about a substantial improvement in the deplorable conditions prevailing over this Railway system ?

(*c*) Has the attention of Government been drawn to the following remark made by Mrs. Nichol, a member of the British Parliamentary Delegation, as she looked at the third class compartments at the Delhi Railway Station :—

"I am shocked at the way people have to travel here ?"

Are Government aware that, great overcrowding continues to be a normal feature of railway travelling in India even after the termination of the War ? What practical steps have Government taken and propose to take to reduce this overcrowding ?

THE HON. SIR ERIC CONRAN-SMITH : (*a*) Yes.

(*b*) The Railway Administration is inquiring into the several complaints. But the statement that the state of affairs disclosed in Raja Maheshwar Dayal Seth's letter to the Press is more or less a normal feature of the O.T. Railway is not borne out by the inquiries so far made.

(*c*) Government have seen a report in the press of the statement said to have been made by Mrs. Nichol. For various reasons all pre-war facilities cannot be restored in full immediately on the cessation of hostilities ; the process has naturally to be gradual, depending on the availability of stock and power resources. Consequently some degree of overcrowding is inevitable when the demands on transport exceed the available supply. Every endeavour is being made to increase services as far as conditions permit. I might add that on the O. T. Railway from the cessation of hostilities up to the 1st January 1946, 36 trains each way have been reintroduced, representing an addition of 2,402 train miles per day.

THE HON. MR. HOSSAIN IMAM : Is the Hon. Member in a position to promise to get more wagons from the military released for civil use ?

THE HON. SIR ERIC CONRAN-SMITH : I should be very rash to make any promise of that nature.

THE HON. PANDIT HIRDAY NATH KUNZRU : Why should the shortage of wagons be a justification for want of water in the bathroom, the unauthorised entry of police sub-inspectors and constables with third class tickets into higher classes and the absence of the guard from his post of duty ? Why should these be the normal feature of the O. & T. Railway and why should it take so long for the Railway Board to put these scandalous things right ?

THE HON. THE PRESIDENT : You have combined 4 or 5 questions in one.

THE HON. PANDIT HIRDAY NATH KUNZRU : I have put one question and my Hon. friend understands it.

THE HON. SIR ERIC CONRAN-SMITH : I can answer the Hon. Member's question, Sir. Government do not admit that these features are normal. As regards the reference to provision of more wagons, what I said was that the process of restoring full pre-war facilities must be gradual and dependent on the availability of stock and power resources. The question of provision of water has, I understand, received the attention of the railway authorities and, as I understand from the inquiries so far made, adequate water is supplied at almost all places.

THE HON. PANDIT HIRDAY NATH KUNZRU : What about lights, Sir ?

THE HON. SIR ERIC CONRAN-SMITH : There was, as the Hon. Member knows, considerable difficulty owing to shortage of bulbs. Bulbs are now in more abundant supply and it is therefore possible for the Railways to remedy the pre-exissting state of affairs and they are doing so.

OVER-CROWDING IN TRAINS ON THE O.T. RAILWAY.

231. THE HON. MR. SURPUT SING: Are Government aware:

(*a*) Of excessive overcrowding in trains on O. T. Railway?

(*b*) That as a result of such overcrowding passengers have to hang on the footboards and also mount on the roofs of the carriages?

(*c*) That as a consequence of the overcrowding and mounting on the tops of carriages serious accidents have taken place?

(*d*) That on one occasion on the Kursela Bridge (between Katihar and Thannah Bihpur) a number of casualties took place among the people so sitting on the roofs of the carriages by coming against the iron top-structure of the bridge; if so, the number of deaths in that accident?

(*e*) What steps that railway administration has since taken to stop such accidents?

THE HON. SIR ERIC CONRAN-SMITH: (*a*) Yes.

(*b*) No. Passengers who cannot find room in a train have the option of not travelling by it.

(*c*) Yes, some accidents have occurred.

(*d*) As the question does not state the date of the alleged incident, it has not been possible to trace the report of any such occurrence. If the Hon. Member will let me know the date of the occurrence, I will make enquiries, and the result will be placed on the table of the House in due course.

(*e*) Special steps have been taken by the Railway Staff with the help of the police to prevent passengers from travelling on the footboards and roofs of carriages. To relieve overcrowding, additional train services have been introduced, and more will be put on as and when the resources of coaching stock and power permit.

THE HON. MR. SURPUT SING: Has the attention of the Government been drawn to any accident that took place on the Kursela Bridge owing to passengers sitting on the roof of the carriage?

THE HON. SIR ERIC CONRAN-SMITH: I cannot say, Sir, whether our attention has been drawn to any accident on that particular bridge, but we have no record of any particular incident such as the Hon. Member refers to, and I have told him that if he will let me know the date we will be able to make further inquiries.

THE HON. MR. SURPUT SING: Has any accident taken place over the Kursela or any other bridge on the O. & T. Railway owing to passengers sitting on the roof of the carriage?

THE HON. SIR ERIC CONRAN-SMITH: I must ask for notice of that.

DRINKING WATER SUPPLIED ON THE B. AND A. AND E.I. RAILWAYS.

232. THE HON. MR. SURPUT SINGH: Will Government state:

(*a*) Whether complaints have reached the railway administrations concerned against the extremely unsatisfactory condition of the drinking water supplied to the passengers on Katihar-Jogbani Section (B. A. Railway) and Bandel-Azimganj Barharwa Section (E. I. Rly.) during the summer months in the last 2 years; if so, what steps are proposed to be taken to prevent its recurrence this year?

(*b*) Whether complaints have reached the railways concerned of the insanitary condition in which drinking water for both Hindus and Muslims is kept at Azimganj Junction Station (E. I. Rly.); if so, do they propose to remove the complaints?

THE HON. SIR ERIC CONRAN-SMITH: (*a*) No complaints have been received by the B.A. Railway regarding the arrangements for the supply of drinking water to passengers on the Katihar-Jogbani Section of that Railway during the

summer months in the last two years. Two representations were received by the E. I. Railway with regard to supply of drinking water on the Bandel-Azimganj-Barharwa Section of that Railway. One received in December 1944 was with regard to the provision of a Bhisty at Jangipur Road. A Bhisty was provided in the hot weather in 1945 and this will also be arranged during the hot-weather months of this year. The other was a complaint with regard to inadequate supply of drinking water at Agradwip : the complaint was found to have no foundation.

(*b*) The reply to the first part of the question is in the negative. The second part does not arise.

EXTENSION OF 59-UP AND 60-DOWN TRAINS UP TO KIUL.

233. THE HON. MR. SURPUT SING : Will Government state:

(*a*) Whether there has been an insistent demand for the extension of 59-Up and 60-Down trains up to Kiul (E. I. Rly.) to remove inconveniences of passengers intending to travel through ; if so, what steps have been taken to meet the popular demand ?

(*b*) Whether similar representations have been made to the railway administration concerned for running 23-Up and 24-Down Loop trains up to and from Moghal Serai for the benefit of through passengers from the loop Section ; if so, what steps are being taken in the matter ?

(*c*) Whether there has been an insistent public demand to run 17-Up and 18-Down Calcutta-Lalgolaghat through passenger trains to and from Jogbani ; if so, with what result ?

THE HON. SIR ERIC CONRAN-SMITH : (*a*) The Railway Administration are aware of only two representations in recent months from individuals asking for the extension of Nos. 59-Up and 60-Down to and from Kiul. No such proposal has been received from the Local Advisory Committee or from any other public body. The demand can therefore hardly be classed as insistent. In any case it cannot be met in the near future as this would involve the use of additional coaching stock which is still in short supply.

(*b*) and (*c*). No.

MUSLIMS IN THE PORT COMMISSIONERS' OFFICES.

234. THE HON. MR. ABDOOL RAZAK HAJEE ABDOOL SUTTAR :

(*a*) Will Government state the number of Muslims employed in the higher division and in officer's rank of the Port Commissioners' Service at Chittagong, Calcutta, Vizagapatam, Madras, Bombay and Karachi ? If the Muslims are in such service in minority, why it is so ?

(*b*) Do they propose to take steps for the recruitment of qualified Muslims ?

THE HON. SIR ERIC CONRAN-SMITH : (*a*) Such information as could conveniently be collected within the time available has been obtained and a statement is laid on the table. The reason for inadequate representation of Muslims at some ports is that suitable Muslim candidates have not offered themselves for appointment.

(*b*) The power to fill appointments under the Port Trusts vests by law in the Port Trust Boards and their Chairman except in the case of a small number of high posts. The policy followed by the Government of India in regard to direct recruitment has been more than once brought to the notice of Port Trusts with a suggestion that they should adopt similar policy, as far as possible, in regard to their services. Government are prescribing a periodical return to watch progress in this respect but, except in the case of a few high posts, have no authority to issue binding instructions.

As regards Vizagapatam, which is administered by the Central Government, the question of giving effect to Government policy regarding direct recruitment is under consideration.

Statement showing the number of Muslims in the service of the Chittagong, Calcutta, Vizagapatam, Madras, Bombay and Karachi port authorities.

	Appointments carrying a maximum salary of less than Rs. 500 but not less than Rs. 100 p.m.	Appointments carrying a maximum salary of Rs. 500 and above p.m.
Chittagong	19	*Nil*
Calcutta	90	4
Vizagapatam	2	*Nil*
Madras	15	*Nil*
Bombay	*	*
Karachi	158	4

INFORMATION PROMISED IN REPLY TO QUESTIONS LAID ON THE TABLE

THE HON. MR. A. E. PORTER (Home Secretary): Sir, I lay on the table the information promised in reply to question No. 216, asked on the 27th March, 1945.

COST OF DEPUTATION SENT EX-INDIA

Statement showing the cost incurred by the Departments of the Government of India in the year 194344- and during the first nine months of 1944—45 in sending (a) official deputations, (b) non-official deputations and (c) mixed deputations outside India.

Departments		1943-44 Rs.	1944-45 Rs.	Purpose of deputation.
1. E. H. & L.	(a)	57,101	12,401	(a) Official deputation on duty.
	(c)	11,500	104,000	(c) To undertake locust control measures in Oman under the general direction of Chief Locust Officer, Middle East (1943-44). Mainly to establish contact of Indian Scientific Mission with British, Dominion and American Scientists.
2. P. & A.	(a)	40,180	53,737	Official deputations.
3. E.A.	(a)	4,330	..	Official duty.
4. Food	(a)	..	36,872	Official duty.
5. Labour	(a)	10,500	..	Official duty.
	(c)	..	29,700	To attend International Labour Conference held at Philidelphia.
6. Supply.	(a)	55,656	45,646	Official duty.
7. I. & B.	(a)	21,926	17,310	Official duty.
	(b)	59,000	..	To publicise India & Indian War effort.
8. Military Finance	(a)	..	10,759	Official duty.
9. I. & C. S.	(a)	..	14,700	Ditto.
10. Finance	(c)	36,600	..	To attend the Bretton Woods Conference for discussing international monetary problems.
11. Commerce	(a)	45,000	14,500	Official duty.
	(c)	11,800	..	To discuss the question of co-ordinated purchase of Egyptian cotton with representatives of the U.K. and U.S.A.
12. Railway Board	(a)	..	30,812	Official duty.
13. War	(a)	The expenditure incurred in connection with official deputations outside India can not be estimated with any degree of exactitude.		To expedite the disposal of business and to maintain close liaison and exchange of information.

*Information is being collected and will be laid on the table in due course.

STATEMENT ETC., LAID ON THE TABLE.

THE HON. MR. Y. N. SUKTHANKAR (Commerce Secretary): Sir, I lay on the table copies of a further statement of Commercial Treaties and Notes affecting India.

STATEMENT OF COMMERCIAL TREATIES AND NOTES AFFECTING INDIA.

PART I

Agreement under which the produces of India received most favoured-nation treatment.

Countries which are parties to the Agreement	Nature and date of Agreement.	Description	Remarks
The U.K., Eire and Egypt	Exchange of notes dated 16th February 1945 and 14th March 1945.	Provisional Commercial Agreement.	The agreement was due to expire on 16th February 1946, but H.M.G. are negotiating for the extension of the Agreement for a further period of 12 months.

PART II.

Agreements to which India is a party.

Nil.

PART III.

Denunciation of Treaties.

United Maritime Agreement . . (Expired as provided in the Agreement, six months after the suspension of hostilities).

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 a copy of the Bill to give effect to the financial proposals of the Central Government for the year beginning on the 1st day of April, 1946, which was passed by the Legislative Assembly at its meeting held on the 28th March, 1946.

STANDING COMMITTEE FOR THE INFORMATION AND ARTS DEPARTMENT

LIEUT.-GENERAL THE HON. SIR THOMAS HUTTON (Planning and Development Secretary): Sir, I move:

"That this Council do proceed to elect, in such manner as the Hon. the President may direct, two Non-Official Members to serve on the Standing Committee to advise on subjects in the Department of Information and Arts for the financial year 1946-47."

The motion was adopted.

STANDING COMMITTEE FOR ROADS

THE HON. SIR ERIC-CONRAN-SMITH (War Transport Secretary): Sir I move:

"That this Council do proceed to elect, in such manner as the Hon. the President may direct, four 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 and such other questions relating to roads and road traffic as may be referred to it during the financial year 1946-47."

The Motion was adopted.

STANDING COMMITTEE FOR TRANSPORT

THE HON. SIR ERIC CONRAN-SMITH (War Transport Secretary): Sir, I move:—

"That this Council do proceed to elect, in such manner as the Hon. the President may direct, four non-official members to serve on the Standing Committee to advise on subjects with which the Department of War Transport is concerned, other than those within the purview of the Standing Committee for Roads, for the financial year 1946-47."

The Motion was adopted.

CENTRAL ADVISORY COUNCIL FOR RAILWAYS

THE HON. SIR ERIC CONRAN-SMITH (War Transport Secretary): Sir, I move :—

"That this Council do proceed to elect, in such manner as may be approved by the Hon. 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, 1946."

The Motion was adoptod

THE HON. THE PRESIDENT: With reference to the 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 Wednesday, the 3rd April, 1946 and the date of election, if necessary, will be announced later.

FINANCE BILL, 1946-47.

THE HON. THE PRESIDENT: Hon. Members, we shall now proceed with the discussion of the Finance Bill. You are all aware that the Hon. the Leader of the House has kindly permitted a two days debate in this House on the Finance Bill. I shall be a little more indulgent to the Hon. Members in giving them sufficient time to speak on the Bill but at the same time I wish to point out that they will kindly bear in mind the expression of opinion given by the Finance Member in the other House yesterday, when he said that the debate should be conducted more with regard to the relevancy to the Finance Bill than to the political subjects. I will fix 20 minutes for ordinary speakers to speak on the Bill and I shall allow the Leaders of Parties half an hour to speak on the Bill and, if necessary, I will give them a few minutes more if I find that their remarks are relevant to the subjects with which the Bill deals.

THE HON. SIR CYRIL JONES (Finance Secretary): Sir, I move :—

"That the Bill to give effect to the financial proposals of the Central Government for the year beginning on the 1st day of April, 1946, as passed by the Legislative Assembly, be taken into consideration."

In making this Motion, Sir, I do not desire to take up very much of the time of the House, since that would detract from the time available for the speeches of Hon. Members.

THE HON. PANDIT HIRDAY NATH KUNZRU: On a point of order, Sir. Has the Bill been laid on the table and have the Rules of Business been suspended by the President ?

THE HON. THE PRESIDENT: Yes, I believe they were suspended the other day.

THE HON. PANDIT HIRDAY NATH KUNZRU: There has been no actual suspension of the rules. All that was said on the 26th was that when the Bill had been laid on the table of the House, the President would decide the matter.

THE HON. THE PRESIDENT: That is a mere technical objection. I was informed that it was agreed by the House that the debate on the Finance Bill would commence today.

THE HON. SIR MAHOMED USMAN (Leader of the House): The Bill is on the table.

THE HON. THE PRESIDENT: However, if it is necessary, I shall formally suspend the Rules of Business. The debate will proceed now.

THE HON. SIR CYRIL JONES: The Budget proposals, Sir, were explained in this House on the 28th of February and they have been the subject of debate and it was those original proposals which were embodied in the Finance Bill as introduced in the Legislative Assembly following the delivery of the Budget speech and published in the country. During its passage through the Legislative Assembly the Bill has been subjected to certain changes and Hon. Members would perhaps expect me to comment briefly on the changes that have been made in the Budget proposals, some of which involve a change in the Bill to give effect to the proposals and some of which are not reflected in the provisions of the Bill.

[Sir Cyril Jones]

The first example of the latter kind of change is in respect of the postal rates. Section 3 of the Bill now before the House maintains the existing rates, but the Hon. the Finance Member has given an assurance that it is the intention of the Government to reduce the post-card rate from 9 pies to 6 pies as soon as administrative measures can be taken to enable him to do so: and that when that is the case, which he anticipates will be by about the 1st of July of this year, the reduction in the post-card rate will be given effect to by a notification under section 7 of the Indian Post Office Act.

Certain changes have been made in respect of the proposed Customs and Excise duties, for the first of which I would invite the attention of Hon. Members to sub-clause (*a*) of clause 6 of the Bill now before the House. The original proposal was to fix the rate of customs duty on betel nuts at the standard rate of -/5/6 per lb. with a preferential rate of -/5/- per lb. Consequent on a change in the excise duty on betel nuts, to which I will come presently, these rates have been modified to the standard rate of -/5/- and a preferential rate of -/4/6 per lb. respectively. The second change refers to sub-clause (*b*) of clause 6 of the Act, in which the rate of duty on unexposed films is expressed as 3 pies per linear foot as against 6 pies a foot contemplated in the original proposals. The reason for this change was to give further relief to the raw material of an important industry in the country.

A new clause has been inserted in the Bill during its passage through the other place. I refer to clause 7 dealing with the duty of customs on kerosene and mineral oils. The reason for this is to reduce the rate of customs duty on kerosene from 3 annas and 9 pies per imperial gallon, which was the rate originally proposed, to 3 annas per imperial gallon. The excise duty will automatically be modified to the same extent, for the reason that the duty of excise on kerosene oil is stated in the relative excise enactment to be the duty of customs leviable for the time being.

I now come to the excise duty on betel nuts, in regard to which I would invite the attention of Hon. Members to clause 9 of the Bill. Our original proposals contemplated no change in this duty, but during the course of the discussion on the Finance Bill in the other place the Hon. the Finance Member agreed to a reduction of 25 per cent., that is, from 2 annas to 1½ annas per lb. Subsequently, in the discussion on clauses, the Hon. Member agreed to go further and to give a 50 per cent reduction in the excise duty on betel nuts. Consequently in the Bill now before the House the alteration is from the rate of 2 annas per pound to the rate of 1 anna per pound.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY (West Bengal; Non-Muhammadan): On a point of order, Sir.

THE HON. THE PRESIDENT.: Let the Hon. the Finance Secretary finish his speech.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY: It is an important point of order, and I want to raise it before the Hon. Member finishes his speech The Bill, as passed by the Legislative Assembly, and as placed on the table of this House, says that the inland postage rates shall continue as they are.

THE HON. SIR CYRIL JONES: I have already explained that point. I am sorry the Hon. Member has not appreciated what I said. If he will speak to me personally later, I will explain. The point is that the proposed post-card rate change cannot be given effect to immediately, for administrative reasons. The rate therefore appears in the Bill unchanged. But it is intended to give effect to the reduction of the post-card rate by notification as soon as we are administratively in a position to give effect to it.

Sir, on the subject of income-tax, two changes of substance have been made. The first one refers to the application of section 23A of the Income-tax Act to companies to which that section applies, that is, companies in which the public are not substantially interested—which I would call, private companies' for short. This modification of the proposals involves in itself two changes. The first change is the elimination of a provision in the original Bill which exempted private companies from the operation of section 23A in the case of companies liable to pay the additional super-tax. Numerous representations have been received that this proposal

was open to the serious objection that we were acting prejudicially to the interests of private companies, not merely prejudicially but unfairly, in compelling them to submit to provisions——

THE HON. SIR SHANTIDAS ASKURAN: Does it refer to compulsory payment of 60 per cent. dividend ?

THE HON. SIR CYRIL JONES: Yes. The objection was that we either penalised them, that is, their shareholders, in terms of section 23A if they did not declare a 60 per cent. dividend, or we penalised them with the additional dividend tax if they did declare a 60 per cent. dividend. We have received numerous representations on this subject and we accept the view that there is an element of unjustified hardship. Therefore the provision proposed in the original Bill—that was sub-clause (11) of clause 9 of the Bill as introduced in the Legislative Assembly—has been omitted and in place of it a clause has been added—I refer to clause (*iv*) in paragraph D of Part II of the Schedule, on page 7 of the Bill—by which" the additional super-tax shall be payable only by a company in which the public are substantially interested within the meaning of the *Explanation* to sub-section (1) of section 23A of the Indian Income-tax Act, 1922, or a subsidiary company of such a company....." and so on. The effect of these two amendments, the repealing of the original provision and the insertion of this new provision, meets the objections that have been raised, by taking out of the mischief of the dividend tax altogether companies to which section 23A is applicable : in other words, section 23A remains in operation and in respect of those companies the provisions of appeal regarding additional super-tax do not apply.

THE HON. SIR DAVID DEVADOSS : May I ask a question for information, whether the expression "earned income" includes pensions paid to retired public servants ? I am putting this question because the Madras Income-tax Officer seems to think that such pensions are not within this expression. I should like to have an authoritative interpretation.

THE HON. SIR CYRIL JONES : I would rather deal with individual points later, because they tend rather to interrupt the trend of my speech. I am merely referring to changes that have been made as the Bill passed through the Legislative Assembly.

The final change refers to clause (*c*) of the *Explanation* on page 8 of the Bill now before the House. This clause has been inserted to clarify the position of companies such as tea companies whose total income for the purpose of the Central income-tax is only a portion of their total profits. To illustrate the reason for this provision, I will refer to the case of tea companies, as they are the best known and the most usual examples, in which case 40 per cent. of the profits are subject to Central income-tax and the other 60 per cent. is regarded as agricultural income. The provisions in section D regarding the dividend tax as originally drafted did not cover cases like this. For example, I would refer to the definition of "capital of the company" in clause (*a*) of the *Explanation*. Now, in a case such as a tea company, we take *pro rata* figures over the whole field : that is, for purposes of Central income-tax, we take 40 per cent. of the capital of the company, and we also take 40 per cent. of the total amount of dividends and the amount of dividends payable at a fixed rate. Thus, so far as dividend is concerned, we treat, just as we do in the case of refunds, 60 per cent. of it as agriculture and 40 per cent. as taxable income. This amounts merely to the correction of an oversight in the drafting of the original Bill. It is obviously an eminently fair provision.

There is one other change made in the Budget proposals which is not reflected in the provisions of this Bill and that is in regard to matches. The Hon. the Finance Member has decided that, by reducing the excise duty on matches to such extent as may be necessary and by making certain necessary administrative changes he will endeavour to secure a suitable box of matches which can be sold at 6 pies per box against the present minimum price of 9 pies. This is a very complicated matter which raises numerous questions—economic and business questions—which will have to be fully examined and a suitable scheme worked out in consultation with the industry. But the intention is to work to a 6 pies box of matches and to give effect to that proposal as soon as suitable arrangements can be made.

THE HON. MR. HOSSAIN IMAM: Will the Hon. Member give us some idea of the number of sticks ?

THE HON. SIR CYRIL JONES: I cannot anticipate what arrangements may be made.

THE HON. MR. HOSSAIN IMAM: It should not be less than 50, Sir.

THE HON. SIR CYRIL JONES: There is only one other matter to which I need refer at this stage, Sir, and that is in regard to the date of effect of the various changes that have been made in customs duties and the excise duties. By virtue of the declaration under the Provisional Collection of Taxes Act which was printed with the original Finance Bill, all the changes which the original Bill purported to make in the customs tariff, except the provision relating to raw cotton, were given effect from the 1st March, 1946. Similarly, by a suitable provision in clause 8 of the Bill now before the House, the alteration of the excise on motor spirit took effect from the same date. The reduction in the duty on kerosene, which originally stood at 4 annas 6 pies, was provided by clause 4 of the original Bill which removed the surcharge hitherto levied on this commodity. No specific provision for reduction of duty was therefore necessary, and this change also therefore took effect on the introduction of the Finance Bill. The changes which have since been made in the rates of excise duties on betel nuts and unexposed cinematograph films are changes made in the text of the Bill and therefore will likewise take effect from the 1st March. The further reduction of customs duty on kerosene and the reduction of excise duty on betel nuts have been effected by the addition of new clauses in the Bill and these will therefore have effect when the Bill becomes law.

I think, Sir, that what I have said fully explains the various changes that have been made in the original Budget proposals and I commend this Bill to the consideration of the House. Sir, I move.

THE HON. THE PRESIDENT: I made inquiries and I am just now informed that the Bill was circulated to all members last night. Though it was laid on the table this morning, it was circulated last night to all.

THE HON. MR. G. S. MOTILAL: I got it only this morning, Sir.

BRIGADIER THE HON. SIR HISSAMUDDIN BAHADUR (Nominated Non-official): Mr. President, Sir, we all greatly admired the ability and clarity with which the Secretary of the Finance Department dealt with a vast and complicated subject the other day and today. His speech was listened to with profound attention and also with contentment and relief when he made it clear that not only was there to be no increase in the income-tax for the vast majority of assessees, but also that the E. P. T. was being abolished. I welcome the Budget proposals wholeheartedly. I regard them as well-designed and sensible, and I would like to express my appreciation of the way in which the country is being guided from conditions of war to peace economy. The whole economic life of the nation has to be readjusted to new conditions, and finance is the instrument through which this readjustment must be imposed, and the masterly way in which this difficult problem is being tackled augurs well for the future of this country. Having expressed my general commendation on the Finance Bill, I want to turn to one or two points of detail. When I read the taxation proposals of the Hon. Finance Member at the time the Budget was placed before the House, I felt that while relief was given to the industry and also to the middle class people, greater relief should have been proposed for the poor who live only from hand to mouth. I am glad to find that the Hon. Finance Member has changed his mind and made fresh proposals for giving greater relief to those miserable and distressed men who deserve more help from the Government. The reduction in the rate of post-cards, in the price of kerosene and in that of matches and betel nuts will no doubt go a great way to their relief.

Tobacco brings a large income to the Government and I appreciate the difficulty in its total abolition or reduction. But I would suggest that income made from tobacco, salt etc. should be utilised in improving the Railways by putting up double lines wherever possible to avoid train clashes and consequent disasters.

Speaking on the food situation which was discussed at length in this House a few days ago, I referred to the grave menace of famine which faces this country.

at random, in the Central P. W. D., and in many other departments. I will mention only one or two instances. Innumerable series of military barracks have been built in Delhi for the housing of American troops. But they have been built at places, like the Connaught Circus, and on the *maidan*, where obviously they will not be allowed to stand, after the troops have left the country. They will evidently be dismantled, and the building materials sold at highly uneconomic prices. Have not the Central Government to foot the bill ? And if so, these structures ought to have been put up at places where they would have been allowed to remain, more or less permanently, to provide accommodation for clerks and ministerial officers.

Sir, the expenditure involved in the trial of I. N. A. men is another instance of thoughtless extravagance. It has raised an unprecedented storm of feeling in the country and the action of the Government is denounced by all political parties., Sir, punishment loses its force if it fails to enlist the moral support of society and the judge who pronounces his verdict loses his moral authority. Sir, if the name of the I. N. A. is surrounded by a halo of glory in India today, it is the Government and the Government alone that are responsible for having raised them to the proud position of heroes and martyrs, and placed that priceless crown of thorns upon their head.

Sir, I must now make a passing reference to one or two topics before bringing my remarks to a close.

I wish the Hon. the Finance Member had thrown more light on the important matter outstanding between India and the United States of America, about the settlement of Lend-Lease, and Reciprocal Aid, and its financial implications, which has long been hanging fire. The House also would be interested to know how, and on what principle the Government propose to dispose off the immense amount of stocks and installations accumulated by the U. S. A. in India during the war, and now no longer required by them. Medical equipment, electric installations, and motor vehicles, are specially suited for civilian use and Government should be on the guard that there must not be what I may call, any cornering, profiteering, or blackmarketing in the disposal of such stocks, as the tendency already seems to be.

Sir, the Budget discloses no proposal in any definite form for the early establishment of such vital and key industries, as ship-building, and aircraft production, which a National Government would have undertaken.

The grim spectre of famine threatens the land with devastation, unless speedy and effective measures are devised to cope with the situation. Immense quantities of foodgrains, such as rice and *atta* have been allowed to be wasted and deteriorated, specially in Bengal in recent months, apparently without any steps being taken to bring the erring officials to book. I have myself brought this subject to the notice of the Government from time to time, through interpellations : but the replies, as usual, are evasive ; and more designed to shield the officials than to do justice. Sir, I must here put on record our sense of thankfulness to His Excellency the Viceroy for the prompt steps which he has taken, to save the country from the horrors of starvation and famine, with which we are threatened. I am sorry to say that the system of food rationing is faulty and defective ; and imposes much hardship upon the poorer class of our people. The rationed foodstuffs are also, generally speaking, not wholesome. They are often mixed up with coarse ingredients, which make them unfit for human consumption. This should be strictly guarded against, otherwise the devastation of epidemics will be added to the horrors of starvation. Sir, I must here make an earnest appeal to the Government to send more foodgrains to my Province of the U. P., as there is a serious scarcity of food in spite of the best efforts of the Provincial Government.

Sir, the system of cloth rationing also borders on the scandalous. It opens the door wide to nepotism and corruption; and immediate and effective steps must be taken to provide adequate food and cloth to the people. The belly accepts no bail, and a hungry man is an angry man. The situation is extremely delicate and dynamic; and unless handled properly and with care, it contains within itself the seeds of revolution and lawlessness. Nothing has made the present Government more unpopular with the masses in recent years than the bungling and corruption over food and cloth rationing. It is high time that petrol rationing should go, or at least substantially modified in the interest of road transport, and the general convenience of the public.

[Raja Yuveraj Dutta Singh]

Sir, one word more, and I have done. India today stands on the threshhold of big events. The Cabinet Mission is at this moment forging the political destiny of this country All parties and interests must be given a fair hearing. But I am sorry to say that some main elements have been left out in the cold shade of neglect. Take for instance the class that represents the landed interests of the country, the landlords, the zemindars, the taluqadars; and the tenants, the agriculturists. It is, I believe, not yet too late to mend. Let it not be said that the most vocal and the vociferous have been given a hearing; while those, who are less given to shouting and gesticulating, have been relegated to the limbo of oblivion. The different elements in the national life of this country must be welded into a harmonious whole; and I trust that British and Indian statesmanship combined is fully equal to the task. Indian soldiers have fought with gallantry and glory in the different theatres of this global war in defence of the liberty of other nations; and should they now see their own motherland shackled in the chains of slavery and humiliation? A free India is the strongest security of world peace; while an India in bondage, sullen and discontented, is the greatest menace to the peace of Asia and the world. The failure of the present Cabinet Mission, Heaven forbid, will be the signal of a conflagration, which will engulf the whole world in its consuming flame. Let statesmanship, patience, and toleration guide the deliberations of those in charger of our destiny: and let not "Too late" be allowed to be written on the last chapte of Indo-British relationship.

THE HON. SIR DAVID DEVADOSS (Nominated Non-Official): Sir, I congratulate the Hon. the Finance Member as well as my friend the Hon. the Finance Secretary upon the few amendments that have been made in the Bill as originally laid. We are thankful for small mercies. I would ask the Finance Department to have a better scrutiny of the accounts of the various departments. The proceedings of the Finance Committee make very sad reading, where it is said that lakhs if not crores were spent and no proper accounts were kept and no proper vouchers shown, and the Auditor General had to find fault on more than one occasion, but as yet no remedy has been found. I think I mentioned this last year and the year before, and I would again ask the Finance Department to have a better scrutiny made of the accounts and to bring to book people who are found guilty. No doubt during the war there was always the excuse and on account of the war they could not attend to this, that or the other. Now the war is over and we cannot afford to waste our resources in this way. I therefore ask my Hon. friend the Finance Secretary to insist upon proper vouchers being produced for every item of expenditure so that we may not lose money in more ways than one.

In this connection I am compelled to bring to the notice of the House that there is a lot of corruption going on. If an ordinary policeman gets Rs. 2 or Rs. 3, we call it bribery; if an inspector receives Rs. 100, it is called corruption; but when an officer gets a lakh of rupees, it is considered as war effort! That is the way things are done. I do not know; I only hear things. If one is tempted to believe all that one hears, things are horrible; people are making money not in thousands, not in lakhs, but in crores. I mention this only to show that there should not be allowed any kind of leakage, and all controls ought to go. That is my sincere conviction. As long as controls are there, there is every chance of people making money improperly. No doubt it may be said that if you take away controls there would be a lot of trouble. No doubt for some time there would be. But, after all, a man cannot hoard rice or paddy or gram for a long time. If he keeps the stuff for more than a few months, it will all get rotten; and there will be other people to sell. Therefore, I say, the way in which the present controls are managed is not at all to the credit of the Government.

There is one other thing which I must say. Last year also I mentioned this fact. In Kodaikanal, which is, as the House knows, a health resort, the population is about 20,000. There is only one motor road connecting this town with the railway station, called Kodaikanal Road Station; the distance is about 50 miles. Along this road only one company, a one-man company, is allowed to run a bus service. The result is that poor people, who should pay one rupee ordinarily, are obliged to pay five rupees and sometimes more, because the man on the spot says: "There

I can only join the appeal made by His Excellency the Viceroy that food should be kept out of the sphere of party politics, and therefore I sincerely regret the refusal by the largest political party in India to accept the offer of the Viceroy to join the Food Committee proposed by him.

Now coming to my own Province of N. W. F. P. We have made repeated representations for increasing the subvention to our province from the Central Revenues. Even during the last visit of His Excellency to our province we had raised this question before him for due consideration. The reasons for our insistent demands are not difficult to understand. There is an increase in our defence requirements, in addition to the urgent and imperative need for developing and improving the province. Bleak and barren as the North West Frontier Province is, the people on the whole are poorer and are therefore unable to meet the high incidence of taxation. Extensive capital schemes to add to the wealth of the province and exploit its natural resources are necessary. There is a serious shortage of water for drinking and irrigation in Kohat District, Tehsil Banda Duad Shah—Khattak tribes. It is a fact in certain places they get drinking water from a distance of about 10 miles. They earnestly require a lot of sinking of wells. The grant of subvention will be of a great help to the people of this area who served in the Indian Army so loyally and bravely in this war and won one V. C. (Kohat District). I hope that my Hon. friend the Finance Secretary may be pleased to give me something in his reply which I may carry home to my people and some hope of relief in this direction. As a soldier accustomed to the hard realities of the situation, might I be permitted to point out the serious consequences of an extension of the trouble now brewing in Iran and threat of Russia and its effect on the international situation? The North West gateway of India must be well defended by a people well satisfied and content.

12 NOON

Now I come to a matter which is very much in the minds of most of us. The Cabinet Mission has arrived in India, and momentous decisions are in the making. During the next few months, our leadership will be on trial. Should we through our political parties and leaders fail to invoke agreement, all the praiseworthy efforts of our two peoples will be futile. I believe there is a tremendous desire today to co-operate with the British people in the national interest and not to consider part manoeuvrings as the primary motive. But if we are to take advantage of that desire, if we are to mobilise that patriotism, it is necessary that our well-organised and rich brothers, the Hindus accept the division of India because I sincerely think that without such a division there cannot be permanent peace in India and between the Hindus and Muslims. I am a true son of India and I want harmony between the two great nations of India and it is for this reason that I adverted the division of India into Moslem India and Hindu India. Moreover I feel in the heart of hearts that this division alone will harmonise the two nations in all branches of administration. At a time like this, it behoves the great Hindu nation to understand the viewpoint of the Muslim nation, although it may not be of their own political hue. We ask for only one fourth of India—the areas where we are in an overwhelming majority and I hope that the Hindus will eventually realise that this is as much in their interest as ours. This provides the only basis on which freedom for us both can be assured. We have come of age, and partition should be as harmless an affair as separation in a joint Hindu family. Hindus and Muslims must each have its legitimate share and no more, if the purposes to which both of us have devoted ourselves are not to be frustrated.

I will say only one thing more. Once Hindus and Muslims have become masters in their own separate homelands we can join and be a source of strength and help to each other. For one of the tenets of the great Muslim religion is respect and toleration of its neighbours. Once our rights are conceded we shall join you in making this continent the most powerful and progressive in the world.

So far I have tried to place my views over the question of India attaining freedom. If the talented Cabinet Mission be so fortunate as to succeed in making Hindus and the Muslims so that they may govern the country in their own way. The most important thing that we shall have to tackle is the defence of the country. Although I know that neither the Congress nor the Muslim League will ask the Britishers to remove all their military weapons of offence and defence at once, yet I must point out

[Sir Hissamuddin Bahadur]

that if the Congress or the Muslim League do not take immediate steps with the help of the capitalists and industrialist to manufacture their own military weapons they will be facing a very great risk. In my humble opinion India should be independent lest perhaps it will be in her own interest that she should remain in the Commonwealth of the British Empire. So that the connection between India and British is not cut off altogether. I heartily endorse the announcement by C.-in-C. in today's *Statesman*, about handing over of Indian Army in a peaceful manner to the Indian. As a loyal soldier of 47 years service, belonging to the traditional Indian Army, this announcement came as great news to us. But I fervently hope that handing over and taking over should be spread over a length of time to enable the young and promising Indian officers of whom there is no doubt, to gain experience in order to assume this great responsibility. At this juncture if all the British officers who hold key positions in the structure of the Indian Army go bag and baggage at short notice, it would jeopardise the smooth running and functioning of the Indian Army. I sincerely, honestly and loyally request my countrymen, leaders of both nations not to accept the control of the army in haste until the civil administration and law and order run smoothly and peacefully and they are ready to take over the control of the army, otherwise we will be responsible for the consequences. I urge the British Government that they hand over the civil administration to Indians and have the control of the army in their own hand at present and transfer that when everything goes alright and peacefully in India.

On the other day when the Food debate was on I said that the sooner the control on food and textiles could be abolished the better. I had good reasons to make the statement. What is the result of the control ? It is generally said that control has brought about hoarding and hoarding is the source of black marketing. If there were no control there would have been no hoarding and if there were no hoarding there would have been no black marketing. A trader hoards because he knows the longer he can keep his articles out of the market the higher is the price he will get. If there be no control he will be forced to bring out his articles of food and send it to places where such articles of food are not available, that is to deficit provinces where people are groaning under the burden of hoarding and profiteering. My second reason is that if control is discontinued a very large amount of expenses that is now being incurred to maintain the department of control will be free and the amount thus freed may be utilised in the campaign of " Grow More Food ".

THE HON. RAJA YUVERAJ DUTTA SINGH (United Provinces Central : Non-Muhammadan) : Sir, I am glad to say that the Finance Bill as it has emerged out of the other place, is a distinctly better Bill than what it was at the time of introduction. The following points are specially noteworthy. The price of post cards has been reduced to half an anna, from the 1st of July. The duty on kerosene has been reduced to an anna and a half per gallon ; and the price of a match box to half an anna. The excise duty on betelnuts has been reduced to an anna per pound. It must be acknowledged that all this will give some relief to the poor. The concession in the income-tax is calculated to be helpful to the middle class people. But this does not mean that the Bill has no objectionable features about it. Telegraph rates have not been reduced, nor the price of letter postage. The most serious defect in the Bill is, in my opinion, the retention of the salt duty at its present level. The salt tax ought to have been substantially reduced, if not altogether abolished. The agitation against this iniquitous tax has been continuously going on ever since the time of Gokhale, but nothing substantial has been done. All this is a humiliating reminder of our political subjugation. Sir, it is proposed to discontinue the excess profits tax. This is no doubt hailed with delight by those who, for the most part, have made enormous profits during the war. To translate a vernacular saying, it is like pouring more oil on an oily head.

Sir, I must take the earliest opportunity of recording my protest against the proposed imposition of what has been ominously called the death duty. The Defence expenditure for 1946-47 stands at the high level of Rs. 244 crores ; and this, in all conscience, is a recklessly extravagant figure. The termination of the war ought to have been followed by a more reasonable curtailment in our military expenditure. The civil expenditure too is undoubtedly high ; and if this process continues it would be necessary to constitute a Retrenchment Committee to carefully examine, and ruthlessly curtail the over-growth of expenditure, specially, to take an instance

partly from the whims of successive Finance Members. Neither its effect on agricultural development or industrial economy nor its inequity so far as the poorer classe of this country are concerned have been given proper attention. The whole taxation system has to be scientifically reviewed in order to ascertain not only the taxable capacity of various classes of people so that we may be able to secure equitable distribution of the tax burden and give relief where due but also to examine the effect of every tax on economic development and see what should be done to remedy the evils. In a recent issue of the *Eastern Economist*, I read an interesting article which has referred to some of the anomalies of the present taxation system from the point of view of industrial growth and public needs. It says: "The position today is that according to the Budget estimate of 1946-47, out of a total revenue from import duties of Rs. 66·57 crores, protective duties contribute only Rs. 1·87 crores or nearly 1½ per cent. while the revenue duties account for all the rest".

THE HON. SIR CYRIL JONES: That shows that the protective duties have been effective.

THE HON. SIR SHANTIDAS ASKURAN: It points out that the greater part of the yield comes from duties on imports of raw materials and machinery and articles of mass consumption and that there is no denying the retogressive character of these duties. As regards excise duties, which now stand at about Rs. 50 crores as against Rs. 10 crores in the pre-war year, the journal points out that wherever a protective duty ceased to yield, an excise duty on internal production or consumption has been levied and that in many cases the rate of tax is many times the cost of the article itself. I fully endorse the suggestion of the *Eastern Economist* that the Taxation Enquiry Committee should be asked to make a special study of taxation from the point of view of production and consumption with a three fold view—*viz.*, to give the maximum relief in respect of articles of mass consumption, to subject luxuries to fairly heavy taxation and to deal lightly with raw materials of industry and machinery. I hope that the States will also be associated with the Committee so that we may be able to evolve a uniform policy throughout the country.

Sir, if there is to be tax relief to the poor to the maximum extent possible the first thing that the Government should do is to cut down drastically the present scale of public expenditure. Before the war, our tax income was less than a hundred crores, but look at our expenditure figures today—over 500 crores this year according to our revised estimates of which Rs. 376 crores are appropriated for Defence, and an expenditure of over Rs. 355 crores in the coming year of which nearly Rs. 250 crores are for Defence. It is impossible for the people of India, in their present condition, to bear this enormous burden year after year. I would appeal to the Government that along with the inquiry into taxation, the Government of India should also have an economy Committee to reduce expenditure and economise the cost of the administration in every way. The public is entitled to ask that there should now at least be an end to the bloated war-time budgets and that we should go back to pre-war standards of expenditure. If any additional expenditure is to be imposed, it should only be such expenditure as could and would directly increase the country's production and raise the income of the average man or is absolutely necessary for the country's defence and security. So long as there was the heavy strain of war on their shoulders, it may not have been possible, I agree, for the Government to go too meticulously into these questions of economy. With victory as the only objective, normal control and strict scrutiny were not always possible. They had to get things done whatever the cost. But now that the war is over they should think, first and foremost of economy and devote all their energy and resources to the reduction of public expenditure to the minimum with the least possible delay.

It is well-known to the House that at the end of the last war Sir Malcolm Hailey who was then Finance Member, appointed a Retrenchment Committee with Lord Inchcape as Chairman and Sir Purshottamdas Thakurdas as one of the members. That Committee, Sir, recommended far-reaching economies and brought down civil and military expenditure considerably. It was, if I may say so, a committee of businessmen to apply business methods to India's expenditure. I am aware, Sir, of the argument that if economy in regard to expenditure on Defence is carried too far, there is a great risk involved. There is not the slightest doubt that, especially now, with

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India within sight of her independence, we should take every care not to be over-hasty in cutting down expenditure on essential items in connection with our defence. Though we all wish an era of success for the U. N. O. and pray that the world may be spared the horrors of war hereafter, it would still be imprudent to take the peace and security of the world for granted.

But, Sir, even on this basis I am confident that there is considerable room for economy. While on this point, I would also suggest an examination by experts of our Defence expenditure from the standpoint of spreading it more evenly on the different branches of defence. I have particularly in mind the Air Force and the Navy. There must be an examination undertaken on these newer branches of defence for their proper development. I cannot help feeling that the structure of the War Department in India with the Army in the position of senior partner, imposes an undesirable restriction on the development of the Navy and the Air Force.

I am glad to find from the speech of the Hon. the Finance Member in the other House that he realises that " the time has come to overhaul the Government machinery from top to bottom". I hope that there will be no undue delay in carrying out this overhaul in the tax-payer's interests. In this connection may I refer to one important Department of the Government of India—the Civil Aviation Department—over which Sir Frederick Timms, has been presiding for the last 15 years. No one can under-estimate the importance of civil aviation or the scope available for its development in this country. But what is the position! After spending over 30 crores in these 15 years, the record of one of its most important branches of activity—the training section—is that today we have only 60 B class Indian commercial pilots. Is that a record of which the Civil Aviation Department of any country can feel gratified? It was the Government's duty to look ahead, to provide adequate facilities for training, to bring into the field as many pilots as other countries are doing and develop civil aviation on a sufficiently large scale to serve the needs of this vast country. Instead we find this pitiful record—and now to add insult to injury, a number of British experts are being brought in though Indians could have been easily recruited and trained for these very posts.

I am surprised to find that though the experience of the first world war is still before us, there is a tendency to be far too complacent about the future and to take things leisurely—even in official circles. I frequently visited Europe from 1926 onward and saw the effect of post-war depression. Everywhere it was scarcity and poverty—the results of a shattered economy. The after-effect of every war in the past has been economic depression. There is a further danger this time, because the whole continent of Europe and the Far East who are just emerging from the crushing grip of war for six years, are now more or less prostrate. The effect of it will be felt on the whole world including India. I well remember whet happened after the last war. People who had made lakhs and millions found, when the slump came, that their wealth had vanished—some found it difficult even to maintain themselves. Industrial concerns worth millions had to close down and their materials sold as scrap. History may or may not repeat itself. I hope and pray it will not happen but even today there are warnings enough in the present condition of our country if we only care to heed them. We are on the verge of a famine which, if immediate help does not come from abroad, may be more terrible than the Bengal famine. Everywhere people are suffering from widespread commodities scarcities, and high prices. And now that the war is over, even the artificial prosperity which it brought to some classes will dry up. Let me appeal to the Government and my business friends that this is no time for complacency. The only hope of the country lies in increasing production, in finding new avenues of employment, in limiting drastically unproductive Government expenditure and in utilising all our available resources for the one purpose of steadily building up the country's economy. For this purpose we have all to pull together. If we falter or fail, we will find ourselves overtaken by an economic disaster which may shatter our country's economy for many years to come. It is a tragedy, Sir, that the Planning Department, which when it started had raised such high hopes in the country, seems almost to be collapsing. Its distinguished head, Sir Ardeshir Dalal, who as we all know brought to his new responsibilities as Member of Government such great vigour and enthusiasm, found himself obliged to sever his connectio within

is no room in the second class ; you better travel first class". The poor traveller is obliged to pay that. Not only that. The proprietor of this one-man company is also a trader—he deals in grocery and other things. He buys a lot of provisions and vegetables and fruits like pears and so on, and he sends them down. The result is that other people, have to engage what are called country carts to take things down, take as many as four days to get the things down. My Hon. friend knows Madras and he can support my statement. The result is that other people suffer. This man is able not only to undersell other people, but to send his fruits in a fresh condition to Madura, Dindigul and other places. Thereby he stands in the way of other people doing business. When I made these remarks last year, the then acting Secretary of the War Transport Department made a reference to the Madras Government, and the Madras Government at once published a communique saying that my statement was wrong. When I went to Madras, my attention was drawn to it, and I at once wrote to the Madras Government and said : " Look here, your statements are all wrong. These are the true facts. If you do not reply to my letter, I shall be obliged to publish the facts". I wrote and waited. The Government of Madras did not choose to reply, and I had to publish the correspondence and the facts in the papers. What I say is, unless you have more than one company working, you allow one man or one company to do as it likes. The result is, the one company or one man makes a lot of money. That man has become a millionaire, and the people are suffering. Why not allow another company, a respectable company, to work a bus service on that road ? I want this matter brought to the notice of the Madras Government, so that for the coming season at least another bus service will be available to the poor people. This is the beginning of the season—it begins on the 1st of April. By allowing only one company to run buses you prevent ordinary people from having access to Kodaikanal, and you also stand in the way of——

THE HON. THE PRESIDENT : Is there a contract with that company ? Has it got a monopoly ?

THE HON. SIR DAVID DEVADOSS : It has got a monopoly ; it has been having a monopoly for some years.

THE HON. THE PRESIDENT : But if a monopoly has been given by contract, how can it be removed ?

THE HON. SIR DAVID DEVADOSS : There is no contract. Government did not give the monopoly by contract. They simply allow this man to run the bus service. He calls his concern the Kodaikanal Motor Union. It is no more a union than anything else. The thing is, he has got some influential persons, and they are able to influence Government. I do not want to give the name of anybody. They say : " So and so is my man ; let him have it". Other people suffer. This monopoly ought to be stopped at once. I make this suggestion with all the emphasis I can command, that this ought to be done at once, because the season is beginning and people are suffering. Allow other people to run buses on that road. There are several respectable companies. I do not hold a brief for anybody. I have no concern with any company. I have no interest in any concern. I say this in the interest of the people. Of course I am not affected. I can get a car and go up. But the ordinary poor people, workmen and others,—they are affected ; the merchants are affected. They are not able to get the things they want. My Hon. friend Sir Eric Conran-Smith is not here. I do hope that the Transport Department at least will take this matter up with the Madras Government and draw the attention of that Government to the hardships suffered by the people. I wrote to the Government, but they have not answered me. People are suffering, and a lot of complaints have been made and representations have been made to the Governor and so on, but nothing came out of all that. Therefore, I would ask the Government, whether it be the Finance Department or the Transport Department, whatever Department it may be, I would earnestly ask the Government of India to represent properly to the Madras Government and see that this hardship is removed without delay.

THE HON. SIR SHANTIDAS ASKURAN (Bombay : Non-Muhammadan) : Mr President, it is in a very different atmosphere, very different from previous years that this House is called upon to debate on the Finance Bill today. Not far away from us are the three Hon. Ministers of the Cabinet Mission engaged in a momentous task—upon the result of which so much depends—and I am sure I am

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expressing the feeling of every section of this House when I say that our good wishes and prayers are with them in their endeavours. It is heartening to hear from the Secretary of State himself that the Mission refuses to contemplate a failure. That is the right spirit. And if every Party which goes to these discussions, approaches the problem in that spirit, there need be no thought of failure in any quarter. I shall only say this. At this critical time, critical not only in the history of this country but in the history of the world, the failure of the Mission can only mean disaster—disaster as much to Britain as to India. I know Sir, that past events have engendered a good deal of bitterness and distrust in the country. It has been all these years a sad story of broken pledges and forgotten promises, but today a new feeling is surging up, a new feeling of hope and confidence, thanks largely to the spirit in which the Labour Government in England is dealing with great world problems and is facing its task in India. It is due to this, we feel, that Britain means this time to redeem its pledge and create a new relationship between the two countries.

I am saying this not as a politician but as a businessman. We feel greatly heartened by the Prime Minister's speech of 15th March, in which he seemed to recognise very fully the need for an urgent solution of India's political problems on the basis of complete freedom. We, who live in this country with a stake in the land, cannot, however, help feeling uneasy over the growth of the forces of violence. They have been expressing themselves in a number of ways. We have had signs of unrest not only among industrial workers but postal and telegraph employees, railway workers and even the police and some branches of the fighting forces. I regret to say, Sir, that there have been too many references to the "shedding of blood" by many in responsible positions. Events in India are profoundly affected by events in other parts of Asia. We are glad that the Prime Minister has recognised that the temperature of 1946 is not the temperature of 1942 or of earlier years. We all hope most earnestly that the Mission, which includes two such old friends of India as Lord Pethick Lawrence and Sir Stafford Cripps will come to speedy and just conclusions. India needs not only a representative government but also a stable government. Problems like famine, cloth shortage and post-war planning cannot be tackled satisfactorily except by such a Government. Our leaders who are men not only with courage and determination but also with vision should apply their gifts to constructive purposes. The Cabinet Mission, therefore, cannot afford to fail.

I am glad, Sir, that the Hon. the Finance Member has tried to introduce a new spirit in the Finance Bill discussions this year and improve the relations between the two sides of the House. He has redeemed his pledge—to the extent at least that he has modified the Finance Bill and given a number of tax-reliefs estimated at about Rs. 5 crores. I wish he had gone further to relieve the burden on the poor man, but even this gesture which he has shown deserves appreciation, and I congratulate him on it. He has tried to enter into the spirit of the times and show, by his own example, that the Government, even this irresponsible Government, stands only to gain by responding to the wishes of non-official members. He is today in a more fortunate position than his predecessors, for he is not facing us this time with a certified Finance Bill as has been the case in former years. The constitutional objection to the present Government is there. We can never get away from that. But the Hon. the Finance Member has, I am glad to see, tried to give a popular touch to his Budget—both in originally framing it and subsequently in amending its provisions to meet popular wishes. I do not say the Bill as it stands is what an Indian Finance Member, responsible to public opinion, would have presented to us. Far from it, but it would be ungracious on our part not to acknowledge the keenness which the Finance Member has shown to understand our point of view and meet our suggestions.

In my speech on the General Budget I referred to the present abnormally high degree of taxation and its ruinous effect on production—the one thing upon which we have to depend for building up the peace-time economy of the country. I am very glad, Sir, that the Hon. the Finance Member has undertaken to set up a Taxation Enquiry Committee. It is already overdue, but I hope that the Committee, when appointed, will not only have strong, able and authoritative personnel but will have also sufficiently wide terms of reference. The taxation system of the Government of India has been a haphazard growth, arising partly from old conventional ideas and

anything which will prejudice the cause which is dear to them and dear to all of us. We appreciate the spirit in which they have come determined to solve the problems of India. We are not less determined to solve India's problems. We are much more interested in the problems of our country. This generation and the generations to come are all interested in those problems. Our friends are here, and as friends their interest is not as abiding as that of the people of this country.

In India, there have been three parties produced by history. One is the British Government of the day. The second is the people—(*Interueption*)—peoples, if you like—the two great communities. I have always felt, and I feel the same way today that the two great communities have to rise and act as two great communities. Their calling themselves great, or my calling them great, will not make them great, if they do not act in the spirit and in the manner in which great peoples should act. The fact remains that there are three parties in this country at present, and the British Government is the party which has sanctions behind it. It has the guns, it has the army, it has the aeroplanes, and it has other services, whereas the other two parties are only in the position of advocates, of claimants putting forward their claims. Both the parties desire, ardently desire, complete freedom. But they are not able to act. Whenever they have agreed, their agreement has been vetoed by the third party in the past. Having this experience before them, these parties do not, naturally come together, as they could have done if they had been left to themselves.

THE HON. THE PRESIDENT : Do I understand the Hon. Member to say, then, that both the parties are not serious ?

THE HON. MR. G. S. MOTILAL : No, Sir, I do not for a moment subscribe to that proposition.

THE HON. THE PRESIDENT : That is the conclusion which the Hon. Member's remarks lead to.

THE HON. MR. G. S. MOTILAL : Well, that is the inference which you are drawing ; but I should say it is a very uncharitable, if not a very unfair, inference.

Sir, both the parties are in dead earnest. I have the privilege of personally and intimately knowing the leader of the Muslim League, Qaid-e-Azam Jinnah, and, as far as I have known him, I can never believe that he is wanting in patriotism, or that he is wanting in earnestness. But all the time the third party——

THE HON. MR. V. V. KALIKAR : Are we discussing the Finance Bill or the patriotism of Mr. Jinnah ?

THE HON. MR. HOSSAIN IMAM : We are discussing the political situation of the country as it exists today.

THE HON. MR. G. S. MOTILAL : Sir, they have therefore to make up their mind to be just and fair to every community in the country ; nothing less, nothing more ; and the question of India will be solved tomorrow.

My. Hon. and gallant friend—I do not see him in the House just now—he was the first speaker—gave us some very wholesome advice. I am prepared to appreciate some portions of his speech. Other portions require to be qualified. He would, having served in the army for so many years, still cling to the theory that defence should not be taken over by the Government of India. May I ask him, Sir, what self-government means if it does not possess the means of defending the country ?

THE HON. SIR DAVID DEVADOSS : He said, " not at once ."

THE HON. MR. G. S. MOTILAL : And you are prepared to wait till eternity——

THE HON. SIR DAVID DEVADOSS : No, no ; not I. I merely pointed out that the Hon. Member was not properly quoting him. His point was that it should not be handed over at once.

THE HON. MR. G. S. MOTILAL : He wants it done in ten years. This has been the plea of the British Government itself—that there should be progressive realisation of self-government. And when Mr. Montagu came, according to the reports we heard then from reliable sources, he imagined that in 20 years India would be self-governing, and while 30 years have now gone by, we have the same Act of 1919 in operation today and we do not see the end of it within a very short time. Self-government means that you should have the control of the armed forces. A country which does not possess control over its armed forces is not self-governing.

BRIGADIER THE HON. SIR HISSAMUDDIN BAHADUR: Have you got armed forces ?

THE HON. MR. G. S. MOTILAL : I wish my Hon. friend had spoken in his own language. If I were given, Sir, that privilege, I should very much prefer to do it.

BRIGADIER THE HON. SIR HISSAMUDDIN BAHADUR : You do the same, Sir.

THE HON. MR. G. S. MOTILAL : Sir, no Indian, much less the people in this Army, feel themselves incompetent to defend their country. Has not India defended the freedom of other countries ? Has she not defeated Japan ? Have not glorious tributes been paid by all competent persons to soldiers and officers of the Indian Army ? We have to Indianize the Army and the Services as fast as we can and I wish my Hon. friend had chalked out a programme and placed it before this House as to how it is to be done in a period of time instead of asking as an apologist of Imperialist Churchills who would say, "Keep back the army ". Sir, the country as a result of the financial and economic policies carried on by this Government has been wallowing in poverty. You have big balances but to whose advantage have all these bank balances accrued ? Whom have they benefited ? They have benefited countries other than this country. The masses here are wallowing in poverty and distress and misery. This year's Finance Bill is also a part of that scheme of taxation which is of the making of the British Government. It is only the Government and the people, whether of two communities or of one, that can produce a Finance Bill which will change the face of the world. You are today faced with a big and unprecedent d famine. This is a situation which is something similar to Czarist Russia, and when the people came into power there was a tremendous transformation brought about by the leaders of the people. The poverty which this Government has produced and the exploitation which some of our countrymen have taken to must be ended. Even the capitalists must realise that if this state of affairs continues, there will be Bolshevism in India. It is writ large. Make no mistake about it. It is the scheme of Government which is great deal contributory to this state of affairs. We have experts after experts as if India was a land of ignorant persons, and all the experts have produced nothing but ignorance again, and at the end of it there is darkness. Why don't you go and ask Russia to help you with some experts in the matter of food ? What wonderful changes they have done ? Can we not accept help from a Bolshevik Government ? Let us not fight shy of a Bolshevik Government if it can help in producing——

THE HON. NAWABZADA KHURSHID ALI KHAN (Nominated Non-Official) : If they come, you won't be found anywhere!

THE HON. MR. G. S. MOTILAL : You will see yourself. You are thinking of yourself. Whether I am here or not is not the problem. The people of our country should live.

THE HON. NAWABZADA KHURSHID ALI KHAN : I am not a capitalist ; but you are.

THE HON. MR. G. S. MOTILAL : I am not bothered about myself and you are probably bothered not about yourself but about the British Government. I am concerned only with the interest of my people.

I should now like to address a few words of the financial scheme which is, as I said, a subsidiary and secondary part of the Finance Bill. There are many new features in the Budget of this year but I can only refer to a few. The Government has, by a stroke of the pen, completely abolished the E. P. T.

THE HON. THE PRESIDENT : Would you like to continue your speech after Lunch if you are going to take some more time ? Just as you like.

THE HON. MR. G. S. MOTILAL : I will take another 15 to 20 minutes, Sir. I will resume my speech after Lunch, Sir.

The Council then adjourned for Lunch till Three of the Clock.

The Council re-assembled after Lunch at Three of the Clock, the Hon. Sir David Devadoss in the Chair.

THE HON. MR. G. S. MOTILAL : Sir, as I was saying, the E. P. T. has been abolished at one stroke of the pen in the financial proposals which are before the

little over a year. And the Department's Economic Adviser has also gone,—for the reason, as his public statements show, that he felt that no useful work was possible under present conditions. What greater condemnation can there be than the charge that he had experienced in the Planning and other Departments an attitude of non-co-operation and obstruction even in dealing with urgent and essential proposals for real planning ?

There are just one or two matters more, Sir, upon which I wish to touch. According to the Hon. the Finance Member's statement in the other House, there are still over 130 controls in existence. For most of them there is no justification at all. I can understand the need for keeping necessary control over food, cloth, or sugar which are daily necessities of life in order to cope with the present shortage. I can understand also the need for having control over the import and distribution of raw materials essential for vital industries, as otherwise it may result in serious inequalities and expose industry to avoidable hardships. But have the Government made out a case for keeping still the other controls. In fact, as soon as the war was over, the Government should have considered it one of their first duties to bring to an end all controls and keep only those which are absolutely essential for general public welfare and the maintenance of internal economy. But where is the necessity for still keeping so many import and export controls at considerable cost to the tax-payer and serious inconvenience to the public ? The only result of these unnecessary controls has been increase in corruption and black marketing with consequent increase in the hardships and sufferings of the people. The Government have repeatedly admitted the existence of corruption in official ranks. The leader of the European group in the other House made pointed reference to it and suggested certain proposals for eradicating this evil. The Hon. the Finance Member was frank enough to express his full agreement, but are the Government satisfied that they have taken all the steps necessary for eradicating this grave evil which is causing such great suffering to the people and corroding the administrative machine itself ? I am afraid that the Government have not sufficiently realised that it is an evil which has come more from the top to the bottom than from the bottom to the top. Whatever action they take, they must bear this in mind.

I would like particularly to call the Government's attention to the way in which controls are exercised to the detriment of industry itself.

The urgent need of the country is the import of capital goods. Industrialists in this country are anxious to import them. For one reason or other, Britain is not in a position to meet our needs immediately, while manufacturers in America are prepared to supply them, but owing to the way in which import control and dollar control are being exercised the progress of industry is being seriously handicapped. Is it not a sorry confession, Sir, that even the small amount of 20 million dollars allowed for 1944-45 has not yet been used. Is that the way to exercise control ? And when such things are done, are not people justified in feeling suspicious and complaining that it is not India's interest, but some other interest, which is influencing Government policy. Now at least full freedom should be given for the import of capital goods wherever they are available. And further, now as the Hon. the Finance Member has himself admitted that the main function of the capital issue control is now altered, the control of capital issue should be withdrawn and full facilities should be given for public investment in industry and full encouragement given to industrial enterprise. At present, it is more an infliction than a help to industry or what the Hon. the Finance Member calls the economic and social advantage to the country.

And, lastly, Sir, just one word about refugees and requisitioned houses. It is difficult to understand why the Government are not taking more speedy steps to repatriate all refugees. Apparently there is something wrong somewhere if even today there is such indifference and leisureliness in these matters. If these refugees—several thousands still in number—can be withdrawn from the country, it will help in a double way. It will to some extent relieve our food situation and also make available to the public the houses and other building accommodation now allotted to them. As regards requisitioned houses, Sir, the Government are aware that throughout the country, palaces of State Rulers, private houses and flats and even newly constructed

[Sir Shantidas A kuran]

buildings built at a cost of several lakhs are still in official possession. The attention of the Government of India and the Provincial Governments have been constantly called to this problem and the hardships caused to their owners but though something has been done there are still hundreds of houses everywhere which are in Government possession. As there is no longer even the excuse of the war, the Government should take an immediate decision and fix an early date for returning all the houses to their owners.

THE HON. MR. G. S. MOTILAL (Bombay : Non-Muhammadan) : Like every other Finance Bill of the past the Finance Bill, which is now before the House, raises two distinct issues. The one issue is to vote for the supplies which the Government of the day comes before the House to ask. The other issue is the scheme of taxation. Both issues are important, but the first one is not of any less importance than the second, but one of transcendental importance. When this Government having been refused supplies for years together, comes up again with the same composition and the same character and asks for supplies again and the representatives of the people refuse supplies, they should understand that they are not only entitled to do it but that it is their duty to do it. Englishmen who are here on the Benches of the Government and not on these Benches, but otherwise occupy those positions, must realise that in their own country they could not have secured supplies in the manner in which this House is asked to do. If you want supplies, the people's desires must be satisfied. Otherwise it will not be right. he supplies can only be given and voted to a Government which enjoys their confidence. Here Englishmen deluding themselves forget all their high principles and I am sorry to say that any of them should come and tell the House," Look at the financial picture which I have presented before you and on the merits of the financial issue you decide what you have got to do". We refuse to do that. We say that it is not only the financial issue. I shall deal later on with some of those pictures which have been dangled before this House, but my assertion is that, apart from that, you cannot ask us to give you the supplies, because you have drawn to your own satisfaction, but not to mine, a picture which looks very good to you. They forget this and it surprises me all the more. They should first satisfy the country that this pre-requisite of asking the supplies is made good. The Finance Member really looks into a mirror which he holds in his hand and he says to himself and to other people, "Look how good I am", and he satisfies himself that he looks a very good person, a very respectable person in his own eyes. But those of us who can see him direct in the face without the medium of a glass know what it is, and we tell him that however good his picture may be, assuming it is a good one, the very first essential is that it is a picture which satisfies the requirements of a grown-up nation, which is asking for control over the affairs of its own. My friend Mr. Hossain Imam might say there should be two Governments—

THE HON. MR. HOSSAIN IMAM : Yes.

THE HON. MR. G. S. MOTILAL : Well, I am prepared to put up with it but let us now also realise that there is no Party in the country which is prepared to trust this Government. And here, my Hon. friend Mr. Hossain Imam agrees with me. Therefore, it will be immoral for any of us to give supplies to this Government constituted as it is. It may be said, as it has been said by some of the previous speakers, that the Three Musketeers have come and they are resolved to solve the problem of India : the Holy Trinity has come here for that purpose. Some of our friends take the view that we should for that reason depart from our old practice and principle, and as a gesture of goodwill, vote for the Finance Bill. I hold that it will be a poor gesture of our goodwill to vote for the Finance Bill because the Three Musketeers are here. In the country there is a widespread sense of discontent and dissatisfaction. The Congress leaders have done everything possible to produce an atmosphere of friendliness. But you cannot but take note of the fact that there is a surging volcano, and on that surging volcano is sitting this Government.

The international situation is full of horrors. I for one do not desire that, even. for the sake of Swaraj in India, humanity should be engulfed in the horrors of war India has always in the past added and will in the future add her weight for the maintenance of peace and for the service of humanity. Those friends, who have come from a long distance, have our goodwill. But as I said, let them not say anything or do

should say that this is a very serious question. If Government are not in a position to preserve their secrets, it is much better to publish their proposals as soon as they arrive at decisions. The budget proposals become more or less the property of those persons who go on seeking after the secrets. This is not a new feature. The Government ought to have stopped this. They know who are dealing with the budget figures, and yet, if they find that they are not in a position to do what is required, then the best thing is to publish their decisions much before the budget proposals are presented to the House.

Then there are other grievances which I would also like to refer to very briefly. Relief is given to income-tax assessees on account of losses which they incurred in business. But the Income-tax Act has been so managed and so framed that its real object has been defeated and persons who incur losses do not get relief in the carryover of those losses. The relief is confined only to the particular losses of a particular business. Most of the businessmen who carry on business do not do business only in one commodity; they transact business in three or four or five commodities, and if they do not get relief in respect of the losses incurred in one commodity under any of the other commodities in which they deal, as they do in the first year of the loss, then it makes them take up an attitude which is not fair to the State. They inquire of the legislators, and they tell them that if they make a loss in one year they do not get relief, but if they make a profit in the next year they have to pay a heavy income-tax on that profit. What is left to them? How are they to carry on their business, and how are they to make up their loss? There is no answer to it. Relief requires to be given to them, and the Income-tax Act should be amended accordingly.

The next point I wish to refer to in regard to the grievances of the public regarding income-tax is that Hindu families, even when they have become divided and stand in the relation of tenants-in-common and cease to be joint tenants, even then, until there is a physical division of the property, they are assessed jointly on their income and have to pay a higher rate of income-tax. Non-Hindus, when they succeed to property, succeed as tenants-in-common, and they are assessed as tenants-in-common without physical division of the property. My friends who come from Bengal are governed by the Dayabagh school of law, and when they succeed to property, they succeed, like the Muhammadans and others, as tenants-in-common. In justice they should be assessed as tenants-in-common separately on their shares. But the grievance is that when Hindus are assessed, they are assessed as holding joint property and they have to pay a higher rate of income-tax. This is very great injustice done to Hindus. Also in the case of those families which are governed by Mitakshara according to the law laid down by the Privy Council, and according to the decisions given by the High Courts, when such families separate and turn the jointtenancy into tenancy-in-common, unless they break up their houses and put in a wall between two partitioned portions, they are assessed jointly. That state of things is unsatisfactory.

My gallant friend—who is again absent—said: "Let us agree to Pakistan". I must say in fairness to him that what he said was that those portions where the Muslims are in an ovewhelming majority should be separated from the portions where the Hindus are in majority. Well, Sir, so far as the separation of these portions and the question of Pakistan is concerned, the division of Bengal and the division of the Punjab is prerequisite to Pakistan. We are not enamoured of Pakistan. We feel that if India is divided, Hindustan will be weak. But Pakistan will be much weaker. These are issues which require cool and dispassionate consideration. As I have been saying, our differences are a passing phase. Every nation has passed through such phase. We are also passing through that phase. I hope that these differences will disappear. I said earlier in my remarks that the Hindus and the Muslims were great communities, and I also said that there were three parties in India. I said also that the British had some great qualities which we admired. I do not for a moment stint that. By relinquishing power and transferring it to India they will be acclaimed great by the whole world.

THE HON. RAJA CHARANJIT SINGH (Nominated Non-Official): Mr. Chairman, the Finance Bill has now come to us in a slightly modified form. It is said perhaps not without justification, that the real war wealth has largely escaped taxation.

[Raja Charanjit Singh]

Although my Hon. friend the Finance Member has not seen his way to meet the wishes of this House and reduce general taxation to any appreciable extent, still I am glad to see that some reduction is made in the tax on kerosene, matches and betel nuts, and that post-cards will also be cheaper in a few months' time.

All eyes are turned towards Delhi at the present moment. Three of the most distinguished members of His Majesty's Government, led by that veteran statesman, Lord Pethick-Lawrence, His Majesty' Secretary of State for India, have come on their historic mission. They have come with full determination to see India attain its full stature. They have come with the blessings of England's Prime Minister, the Right Hon. Mr. Attlee. As you know, Sir, Mr. Attlee was a prominent member of the Simon Commission. I well remember the pleasure of meeting him, and of knowing the great interest he takes in our country. We welcome them as His Majesty's Ministers ; we welcome them as our honoured guests ; and welcome them for the message of hope and good will they have brought from the great people of England.

One of the lessons which the two world wars have taught us is that no country, however powerful, can afford to stand alone. I feel convinced that not only India's but the whole Empire's interest lies in India's remaining within the Commonwealth of Nations.

During my several visits to England I have had the pleasure of meeting some of the highest personages and distinguished statesmen, and I consider it a privilege to claim the friendship of a large number among them. I can therefore say from my own personal knowledge that they all genuinely feel for India and want to see her take her proper place as an equal partner. With goodwill on all sides I have every reason to believe that a bright future is not far distant. In fact, signs are not missing on the political horizon of the coming dawn.

I earnestly hope and pray that Heaven's light be the guide of us all at this critical juncture and may the Almighty grant us wisdom, courage and true patriotism to sail clear through the narrow and perilous shoals of strife and turmoil and arrive at a just and equitable solution.

THE HON. SIR BUTA SINGH (Punjab : Sikh) : It is for the first time that one can feel that the budget has been prepared to develop the resources of the country from which State revenues can be drawn and the Hon. the Finance Member deserves our hearty congratulations. It is only on the prosperity of agricultural and industrial development that India can provide for those essential services which now in modern countries are considered extremely desirable. I am very happy that the Government of India is awakening to the need of developing these resources to meet the essential needs of the country. As an agriculturist I deeply feel the need of relieving the whole of uneconomic holdings from taxation ; I mean land taxation which is of a uniform character both for great and small. Indian agriculture can no more support its growing population without a rapid industrial development. Unless 30 of village population which now depends on such labour as the village can provide can find industrial occupation, it is impossible for Indian agriculture to prosper. What Indian agriculture needs is leadership ; leadership in making use of the modern methods of cultivation. In fact what we call modern methods of cultivation are no more than the application of water, manure and good seed. So far there are hardly any provinces in which these measures are available for the supply of the entire land under cultivation. There is therefore an immense need for a careful enquiry of the resources that are available and their development. In England, for instance, the Govt. of Britain has fixed a minimum price for the produce. I am glad to see in the Agricultural Policy Committee's report that the Govt. of India too have recognised the need of securing for the cultivator a remunerative price for his produce. This will undoubtedly lead to better agriculture and better animal husbandry. If the produce of a man leaves no margin for profit with him, how is it possible for him either to give the land what it needs or feed the cattle on a proper basis and produce more grain.

I will not dwell on this aspect of the matter for long. I would emphasise the need of the Centre doing all it can to provide for the cultivator water, goods, seed and manure without difficulty. India produces a good deal of cowdung, oilseeds

House. I know that this is hailed with pleasure in some quarters. But I might also tell this House that the feeling even among the commercial community was that the whole of it should not have been abolished as it has been done. The commercial community itself was not prepared for the abolition *in toto* of the E. P. T. this year. This was imposed in order to get a share due to the abnormal conditions created by the war, from the pockets of the commercial community and of the industries for the Government. Those conditions, with the cessation of hostilities, have not ended; the abnormal profits still continue. What was expected by the optimist was that there would be some relief in the E. P. T., the limits would be raised of the standard profits and the taxation would be reduced from 66-2/3 per cent. to a lower percentage. But this came as a pleasant surprise to some and as a real surprise to others. Now what is required is that the Government should see that the prices of those materials and necessities of life which are raised so high by their controls are sufficiently reduced. This device was adopted by the Government in order to get more taxes. They fixed up the prices of the products of industry at a high rate, so that though we made profits, Government would be taking away a lion's share of those profits. Do they still wish to continue that policy ?

The other feature of the Finance Bill is that certain reliefs have been given in the matter of depreciation and contributions to research. These are welcome reliefs These are reliefs which should have come a year earlier ; but they have come now and as such they have my approval.

The other relief which the Bill proposes to give is for raw materials required for the industry. These reliefs are also welcome and they are just.

The Finance Bill proposes to amalgamate the surcharges on income and super-taxes. This gives us an impression that what is intended is to raise the level of taxes for not only this year but this high rate is to be continued in the future. I know, Sir, that it is possible for the next Finance Member either to separate these taxes or to reduce the amalgamated taxes. But what I do not understand is what is gained by amalgamating these surcharges with the basic rates. If the basic rates are kept as they are and the surcharges also go side by side, you can always have before your mind's eye what the basic rates were and where reduction is possible when relief is possible. Sir, the corporation tax has also been altered and that point has been dealt with at length by previous speakers and I do not, therefore, propose to go into detail on that point.

When the proposals were brought about the dividend taxation, a new scheme was put through. That has also undergone some changes now and it does not, therefore, call for lengthy remarks on my part.

Sir, in order to encourage the building industry, Government is proposing to give additional allowances for depreciation. Welcome as that allowance is, I doubt very much if it will help the building programme.

Sir, there are further reliefs proposed for earned income. To that extent last year I gave my approval to it and I think it is a feature which is worthy of approval. When you come to the man of moderate means, I find the taxation is higher this year, and instead of his getting relief, he is burdened with higher taxes more after the termination of the war. The Finance Member should have given him the relief which he needs. The prices of all the necessities of life have gone up very high. At a time like this additional burdens should not have been imposed. Some reliefs are proposed to be given for the kerosene but what is required is the kerosene itself. Unless Government are in a position to make arrangements for a sufficient supply of kerosene, the relief given will be only worth the paper on which it is written, but it will not go to benefit the people for whom it is intended.

Some duties are proposed on wines and I have no quarrel with that proposition. Betel nuts were subjected to duties two years ago. At that time every section of the House protested against that duty. That protest still holds good. Some relief is now proposed, but what is required is the entire abolition of this duty. The poorest people of our country use betel nut. This is their only small luxury if you call it. Rather than luxury it is a necessity. If we turn to the reports of the Government of India—I was some time back going through one of them—about the vitamin contents of various foods we will find, Sir, that the betel leaf is said to contain a very high

[Mr. G. S. Motilal]

content of vitamin. This is one source of adding to the vitamin content of their food. Some quantity of betel nut has got to go to make the *pan*. By raising this duty they have unnecessarily disturbed the prices and by lowering it now the benefit of it will go to the masses only very gradually. Government should not have resorted to that duty. With all the emphasis at my command I should now urge that this duty should be entirely abolished.

Sir, the duty on cotton has also been consolidated, but the idea when the duty was imposed was that the quality of cotton should be improved. What has been done in this respect if certainly not satisfactory. Very little has been done and what is now necessary is that every effort should really be directed towards improving the breed of cotton.

Then, Sir, coming to petrol, petrol duty is now proposed to be reduced, but the public gets very little petrol. One does not know what happens to all the petrol that comes. Going through the Explanatory Memorandum I noticed that from this source, namely, motor spirit, Government had derived a revenue of Rs. 57·34 crores in the year 1944-45 and Rs. 64 crores in the Budget and 63·50 crores in the revised estimates, but coming to the budget for the coming year the estimated revenue from this source is Rs. 15 crores (page 2 of the Explanatory Memorandum).

I should like to know how this diminution has arisen. Is the quantity of petrol that India was receiving during the days of the war larger and now that the war has ended the quantity which will be received will be smaller. There has been a great deal of enquiry and agitation with regard to the insufficiency of petrol supplied to the people. Difficulties of transport have arisen. Railway transport has been restricted. Motor transport—road transport—has also been very much restricted and yet a great deal of quantity of petrol is available in the black market. From where does all this petrol come into the black market ? Government do not seem to be aware of this. Number of questions have been put in this House as well as in the other and answers given, but the state of the black market continues and Government do not seem to be competent enough to remedy this evil.

THE HON. MR. HOSSAIN IMAM : The black market also pays duty.

THE HON. MR. G. S. MOTILAL : I am glad to hear that. How much ?

THE HON. MR. HOSSAIN IMAM : Rs. 2-8-0.

THE HON. SIR CYRIL JONES : How do you know ?

THE HON. MR. G. S. MOTILAL : What the public wants to know is what is the supply that they are going to get, or whether the supply which they have been receiving in the past is likely to continue. What is the amount or stock of petrol ? Petrol is a thing which can be very well controlled and is controlled, and yet if there is a blackmarket the sources of that blackmarket should not be out of the capacity of Government to find and to arrange to be stopped.

Sir, I find that a very novel feature of this year's Budget proposals is that heavy duty on import of gold is imposed. I have given notice of an amendment to that clause and I shall not, therefore, take much time of the House on it. The same remarks apply to silver.

Sir, before I take my seat I wish to make a few observations with regard to the bribery and corruption which have gone to the very narrow. Everywhere there is corruption and bribery. There are widespread complaints but Government have not been able to control it so far. Are they satisfied with the state of affairs which is there ? If it continues, there will be a serious deterioration all round. I agree with the remark of my Hon. friend Sir Shantidas Askuran that it has gone down from the top to the bottom. If corruption at the top is controlled and eliminated, corruption at the bottom will be very much minimised. And that is the way to tackle this problem. I do not know whether this Government finds itself competent to do it or not. But the public feeling is very strong on this point, and the Government is judged a great deal on their capacity to deal with this problem.

Take, for instance, the very budget proposals which have been brought before the House. Before they were placed in the House they were being talked about in stock exchange markets and in business circles in Bombay, Calcutta and other places. I

bones and other material which is now exported. I feel that only oils should be exported from India but not kernels and that the village forests should be allowed to produce fuel for the villages and thus save the cowdung. There is a great room for co operation and it would be an advantage if an Imperial Council of Co-operation is set up to see that uniform progress is made in the provinces.

On the industrial side a good deal will be said by industrial members and I will conclude my remarks by saying that agriculture at present is the primary industry of the country and agriculture is capable of producing the food that India needs. Personally I do not believe that India cannot feed its population even if a few districts in Bombay or Madras have suffered from want of rain. What is needed is the restoration of normal conditions of trade so that food can go from one province to another under the auspices of merchants who have so far carried on the trade of India. I know that even in the worst of famines, there has been a famine in money but not a famine in food.

THE HON. RAI BAHADUR S. K. DAS (East Bengal : Non- Muhammadan) : Sir, before I offer my remarks in connection with this Bill and on matters regarding the administration of the Government as a Department I congratulate the Hon. the Finance Member as well as the Hon. the Finance Secretary for having made the best of a bad job. Sir, dealing with bullion, the specific duty of Rs. 25 per tola on gold bullion and coins and the increase in the duty on silver by 8 annas cannot be approved of. I am sure this will tend to push up their prices higher than those operating in other international markets and thereby give an opportunity to smuggle these things into India without payment of duty. Unless and until the Government are in a position to educate the masses and improve the economic condition of the people—I mean the masses—these poor people will follow their traditional custom and will continue to prefer investment in gold and silver for their rainy days. They won't think that investment in interest-bearing securities is safe for them. 90 per cent. of the population live in rural areas in thatched cottages. If once a fire breaks out, the whole village get reduced to ashes. How can these people be expected to invest in gilt-edged securities ? Unless you improve the economic condition of the people to enable them to build pucca houses to keep them in custody and in security, you cannot expect them to purchase gilt-edged securities and so they will continue, in spite of this import duty, to purchase gold and silver.

Sir, every member is for the cut of the salt duty which has been sponsored by my friend Sir Gopalaswami Ayyangar and for the elimination of the duty on gold suggested by my friend Mr. G. S. Motilal. Government may come forward and say' "How to meet the expenses of the administration if every member wants to make a cut ?" I will give a suggestion in that respect. Our tax revenue during the pre-war period amounted to 70 crores a year. During the 7 years of the war it rose to 149crores a year. By multiplying it 7 times, this figure amounts to some 850 crores. Defence expenditure which amounted on an average to 46 crores before the war has come to 225 crores a year. This heavy expenditure is not a light one for the people of this poor country. I would urge the Government to devise ways and means to curtail this heavy expenditure to the minimum and to effect economy in such a way as to meet the wishes of Hon. Members here.

Now, Sir, I come to income-tax. In spite of the relief given to the income-tax payer, it is no relief at all owing to the amalgamation surcharges. This will give relief to a very small section of the people compared to the majority of middle class section who form the bulk of the population.

As to the relief to industrial concerns, by way of reduction in the customs duties on import of materials, plants, depreciation allowance for new plants, etc. in spite of these reliefs, the control is continued by the establishment of the Examiner of Capital Issues Organisation. There is unreasonable delay in the disposal of cases by this Department and so floating of industrial concerns is handicapped preventing our country from becoming self-sufficient. This measure, if I remember aright, was adopted as a war measure when it was considered necessary to keep such control over capital issues. Now as the war has ended, the continuance of such control, if not abolished, should be relaxed to such an extent as to promote speedy growth of industries during the post-war period to ensure self-sufficiency of the country without making any imports.

[Rai Bahadur S.K. Das]

Sir, I would like to take this opportunity of saying a few words regarding the cloth famine in my province. In 1943 our province had bitter experience of a terrible famine of foodgrains which took away millions of lives due to starvation and the subsequent epidemics and diseases that folllowed in its wake. Now we are suffering terribly from cloth famine. The quota fixed for Bengal for each person is never given at a time, with the result that the mass remains naked. This is due either to maladministration or corruption in the distribution machinery set up by the Government, giving rise to black market. In this connection I would like to mention that my esteemed friend Mr. Padshah who had occasion to purchase cloth in connection with a marriage could not at all get the Controller to agree to issue the necessary permit for the purchase of the cloth and he had to resort to the black market. The textile mills are in full operation and being in touch with one of the biggest mills in East Bengal I can assert that at the time of the war only 30 per cent. was allotted to civil population. Even at that time we did not feel the pinch of cloth scarcity. Now, the war is over and the mil's are working entirely for civil needs but still we do not get cloth. What are we here for ? We have come to suggest means by which this difficulty can be overcome. By information, supplication, entreaty, beseeching, we cannot convince the authorities that there is corruption. I suggest that in rationed area where the cloth is being distributed let the distribution be according to the quota, but all the requirements of the year should be given at a time as per quota allotted to the person. If there is difficulty, let the distribution be by lot. This attitude of the authorities recalls to my mind reminiscences of my old days when I was a boy and I used to visit the zoo. Animals imported from different countries used to be howling, barking, chattering. Like wise we find a sort of menagerie here also where elected members coming from various constituencies are not being heard by the caretaker as is done in the Alipore Zoo. With all the cries of the monkey and the tiger etc., they never care to feed the beasts or attend to their needs. This is the condition in which we find ourselves.

We want to be clothed with such a power that we can force the Government in power to act up to our suggestions and ideas. Let them do away with controls if they cannot manage. Let them fix ceiling prices for various cloths and any body infringing those prices should be penalised. What is the use of having controls and maintaining top-heavy departments established by Government.

Before I conclude I would like to add a few words about the tackling of the unemployment problem. We find that there is an organisation for solving the unemployment of ex-service men. What about the solving of the problem of unemployment of those civil clerks and officers who are being retrenched daily ? What have you done for them. It is the incumbent duty of the Government to solve this problem, otherwise this will give rise to the terrorist movement.

THE HON. RAI BAHADUR SRI NARAIN MAHTHA : Unemployment now threatens Government itself.

THE HON. MR. HOSSAIN IMAM : The members on the Government Benches will themselves be unemployed.

THE HON. RAI BAHADUR S. K. DAS : We should apply our will to see that these unemployed are also provided ; only the creation of departments for giving service to the ex-service people won't do. If we examine the capacity of the stomachs of the civil population as well as the military, we shall find that both require money to eat. We must secure employment for both.

Another point which I want to bring before I sit down is the question of the imposition of death duty. Sir, if we look at it superficially it seems to be a very good and nice idea to equalise the economic condition of the people but it has a bad effect. By imposing this duty you are killing the goose which lays the golden egg. How ? Because if you go on realising this death duty the capitalists become poorer and after all it is the capitalists who lavishly contribute to the Income-tax fund.

THE HON. MR. HOSSAIN IMAM : Was this suggested by Dewan Chamanlal of the Congress Party ?

THE HON. RAI BAHADUR S. K. DAS : I do not belong to the Congress Party.

I am a practical business man. I can foresee the difficulties that lie ahead. I would sound a note of warning. Government should think thrice or circulate the Bill for eliciting public opinion before it is put on the Legislative anvil.

As regards the assessment of the joint Hindu family members who live separately, my Hon. friend Mr. Motilal has already advocated their cause. It is quite wrong or rather unjust to assess them as an undivided family. It is against law also. There have been cases in the Bombay High Court, Madras High Court and even in the Calcutta High Court where it has been held that division by metes and bounds is not necessary. I have got a decree myself. Property remains joint property even if the brothers live apart and the joint income is divided and credited to the brother's separate account. This is the law but the income-tax assessor for his promotion or to keep the good will of their superiors go on getting a long rope. They have got a long process to go up to the High Court, but the poor man ——

THE HON. MR. HOSSAIN IMAM : He is not taxed.

THE HON. RAI BAHADUR S. K. DAS——who pays income-tax—I do not say the poor man who is not in a position to pay income-tax but spoor assessee has not got money to file a case before the Assistant Income-tax Commissioner, then go to the Income-tax Tribunal and then to the High Court. It is quite unjust on the part of the Government to encourage all this litigation. They should issue a private circular according to law. It may be treated as confidential.

As regards Pakistan, my friend Hon. Mr. Motilal has said many things. I do not like to deal with them because I am a man who has got a bitter experience of such Pakistan movement. I hail from Dacca, the seat of communal riots, seat or hot-bed, of communal dissension. I can better enlighten the House in this matter but this is not the time and I refrain from making any aspersion on any community but I say that if you live in one water-tight compartment you should not raise the question of division. Division does not mean on religious basis but division should be made on the linguistic basis.

THE HON. MR. M. THIRUMALA ROW (Madras : Non-Muhammadan : Mr. Chairman, I rise to oppose the Motion that the Finance Bill as passed by the Legislative Assembly be taken into consideration. I need not assure the House that we have not embarked on this policy in a haphazard manner but that we are only consistent with the attitude we have taken all these years, because we feel that we have no finger in the pie, that we have no authority to influence the conduct and policy of this Government all these years. We do not see any reason why today we should change our attitude and walk into the Government lobby in support of the Finance Bill when the other side has not shown even the slightest *iota* of a change of attitude on their part. What is the difference in the position of Government as it was last year when the Finance Bill was thrown out and today, March the 29th, this year ? A bureaucrat learns little in spite of the sign that is visible on the wall, not according to the cartoon shown in Dawn—'Pakistan' but 'Revolution'. When all around houses and buildings are being burnt down, when revolution has fectset its and entered into the military, even then the wooden, antediluvian bureaucrat does not learn a lesson. It is not easy for him to read what is the writing on the wall. That is the reason why we stand as a party representing the greatest majority of public opinion to oppose this Bill once again. We could find specious reasons to walk into the Government lobby with the little concessions which a benevolent Finance Member has offered to us but that is not the issue today. In spite of the three Cabinet Ministers that have been flown to this country, as doves. of peace the atmosphere does not seem to have changed. There is no warmth on the Government Benches. The wet blanket of cold reaction arism is still on the aspirations of these people.

Sir, recently when an Adjournment Motion was passed in the other House with regard to the recruitment of the I.C.S. and the I.P., when a Motion was lost only by the casting vote of the President in this House, what response have Government shown to this united demand of the elected representatives of the people from both the Houses ? To a supplementary question yesterday which I put to the Hon.

Mr. Porter, the member in-charge of it, whether these discussions had not had any effect on their minds, there was no answer. Sullen silence was the only answer. The bureaucracy thinks that it can carry on in spite of the high level boosting of the British intentions that freedom will be conferred upon this country. We are not convinced that the present Executive Council is really in favour of handing over real and genuine freedom to our country. You have known the history of the Simla Conference. We know it very well from inside; we know who was responsible, what civilian intrigue was responsible for sabotaging the Conference. Then, Sir, they wanted to know the results of the elections and then carry on the further stages of the reforms. But the moment elections were over, the Executive Councillors are busy bringing in a nominated member as President. Their plans were long-range ones. They had nominated a gentleman who was to become a willing pawn in their game and be pitted against the popular representatives. How can we believe in the *bona fides* of such a Council? Therefore, we stand committed to opposing this Bill tooth and nail, with all our strength.

4 P.M.

The Government carried the Finance Bill in the other House with a few votes. But that is not the matter. Ruin is writ large on the face of the world. I cannot understand what new light the leader of the Muslim League has seen in the attitude of the British Government for him to come to the Assembly, after having remained out for long, and drive his flock into the Government lobby. It is strange. I want to unravel it at a later stage when I deal with the matter. But now I have made it perfectly clear that we are not convinced of the *bona fides* of the Treasury Benches so as to vote a single pie either for their existence or for the carrying on of their Government.

I want to refer now to certain points which are apart from politics and which are of importance to the day-to-day existence of the whole nation. The bungling of the food question is a standing monument to the inefficiency of this Government. If the Government of any free country had indulged in the luxury and incompetence which have marked the regime of the Executive Council in this country, that Government would have been sacked. The last famous Bengal famine I attribute to the incapacity of the then Viceroy and the then Governor of Bengal. We are again faced with another serious famine which may be greater in its seriousness and which may affect the people's health and well being to a greater extent than the Bengal famine. We see a number of reports that are coming down, but we do not see any actual practical achievement with regard to the food problem. I see that the increase in population has become a menace to this country. Day before yesterday the Finance Member in the other House cut a joke at one of my friends, Mr. Karmarkar, by saying that the population has gone up by leaps and bounds in this country on account of the British connection. Of course it was a very low pun which a bachelor member can indulge in. But what is the reason which economists have attributed for this phenomenon? Poverty and increase in population go hand in hand. When there is poverty in the country, there is greater fecundity, greater breeding, among the lower classes of the people, and the vicious circle has gone on. That is the main reason. It is not that Britain has given to this country peace and prosperity; that is responsible for the growth of population. It is perpetual poverty that is responsible for it. Being responsible for this state of things, yet the Government cannot hold themselves responsible for producing enough food for the population. From the figures that I have got, our population seems to be increasing at the rate of 5 millions per year; at this rate, within 10 years our population may grow to 55 crores. As far as the food supply is concerned we get hardly 800 calories per head per day. If you want to improve the standard of the people, if you want to give them proper nutritional subsistence, you must increase the food supply by at least another 10 or 15 per cent. If you want to make sufficient provision for feeding the population of this country by the year 1955, you would have to have 74·2 million tons of food produced in this country. We are now producing only 60 million tons of foodgrains; we have to produce an extra 14 million tons.

I see a number of reports being produced by the able I.C.S. officers and their assistants in the Secretariat of this Government. But their plans have not advanced beyond the stage of paper planning, and I say to the Government that it is time that they quit and make room for the real representatives of the people who will be held responsible for their conduct. In order to have these extra 14 million tons of food

produced, we have to have intensive cultivation. At present between 80 and 90 million acres of land is producing rice and other foodgrains. If we are to have intensive cultivation, according to the figures I have gathered from some other sources, I understand it is necessary to give intensive manuring to the land. Where are the manures ? Where are the natural manures ? Where is the farm manure ? Where is the green manure ? Where are the mineral manures ? The Research Institute in Bangalore has carried on wide researches and given practical results of their research into conversion of municipal refuse into compost manure. On the basis of the figures available to me, I have calculated that if you want to grow this extra 14 million tons of food on the existing land, you require about 3 million tons of fertilizers. What are you doing in the direction of manufacturing fertilizers ? You send so many people to negotiate for machinery, but machinery has not yet come ; it is still in the stage of manufacture. You will produce only 350,000 tons of phosphates per year in the factory that you are going to erect at Sigri in Bihar. There is another factory in the South, in Travancore, of which the productive capacity is 50,000 tons per year. If you calculate that every city will give you 5,000 tons of municipal refuse daily, there are about 500 municipal towns in the country, and you will be able, according to the system of compost manufacture evolved by the Science Institute, Bangalore, to produce 1,530,000 tons of manure apart from the farm manure available in the villages, green manures, oil cake manures and other manures. I am going into some detail because I want to show that we take an intelligent interest in this matter—not that these things are going to happen immediately.

With regard to water supply, we have so many rivers. At the Anicut on the Godavari 6 per cent. water is released and utilised. Schemes based on the Godavari are paying 22 per cent. on the capital outlay. The remainder of the water from the Godavari—85 to 90 per cent.—goes waste into the sea. There are other mighty rivers—the Ganges, the Brahmaputra and the Indus. They are not properly harnessed to the fullest use. The rivers Damodar and Kosi, which devastate large areas of land, should also be properly bunded and utilised. This is a huge scheme involving several hundred crores of rupees, and I think only a national Government employing expeditious methods of achieving results can handle these things. The Government as it is today is quite out of date and useless.

I want now to refer to the health problem of the country. I have come across an item of news which shows what the present Labour Government is doing for public health in England. They are introducing a National Health Service Bill. The cost of that service comes to Rs. 195 crores, and an additional estimated expenditure of Rs. 117 crores has been provided for. They are spending 300 crores of rupees—I am giving these figures in rupees—on a population of 5 crores. Our annual expenditure on public health is Rs. 3-8-0 per head. The Bhore Committee report has estimated for an expenditure of about Rs. 326 crores extended over a period of 10 years. This is a modest scheme still in the stage of preparation. If you see all these things you will understand the stupendous magnitude of the problem that confronts this country. I am taking only two aspects of the question. I do not want to enter into further details about the great financial jugglery which our financiers have been indulging in all these years. Our sterling balances have accumulated to Rs. 1,500 crores in England. You put a note circulation of Rs. 1,300 crores in India with a gold backing of only about Rs. 200 crores. For the rest of it the British Government holds itself responsible. That means you must be convinced that the British Empire, the British Isles and the British Government will last as permanently as the sun and the moon and their solvency will be permanent. Our credit is tied to the apron strings of Britain ; our finances are tied to the chariot wheels of Britain. Today, 38 per cent. of the indebtedness of Great Britain is owing to India. They do not talk of liquidating this loan. We do not know how they will be able to supply us with goods to pay back our money. Take the Rs. 1,500 crores which England owes us. What is the average income of the country ? Calculating it at about Rs. 70 per head per year, the 40 crores of people have an annual income of Rs. 2,800 crores. Out of that, half is locked up in Great Britain as money owing to us. So far, there is no talk about its return. The Finance Member has not given any inkling of it in his speech or in his proposals

[Mr. M. Thirumala Row]

as to how much of that money Great Britain is going to return to us during the current year and how much of this money will be available for industrial and agricultural development of this country on a large scale. Therefore, when I say that I have no confidence in this Government, I am on solidground.

There are several other matters that are dealt with in this Bill but I want to say only one thing. The time has come when we must indulge in frank speaking. There is no use indulging in vague, meaningless courtesies with one another. The political problem is facing the country. The question of Indian independence now holds the field and it covers every aspect of the activity of the country. Ostensibly the three Cabinet Ministers have come to India for the purpose of conferring freedom on this country. If they are really so anxious to confer freedom on this country, let them set a date for doing so. There is no use encouraging one group at one time and another group another time. This Pakistan business is a matter of recent origin. It has come about in 1940 only. Till now, the leaders of the Muslim League have not cared to define or to showa map or to give usen flesh and blood, in concrete form, with facts and figures,what provinces constitute Pakistan, what is their income, what is their economic development, and so on. They have thought of it as a bargaining counter to go on driving. It is only another devise which is the creation of British imperialism in this country. Look at the creation of separate electorates. For every thing there is a political backing and a political foundation, definitely designed to keep this country apart. This is not the way to deal with Indians. Leave us alone. The moment a Hindu and Muslim leaves India's borders, when he is in Burma or in Malaya, he forgets his community. The Shah Nawazes and Dhillons and Saigals have forgotten their communities and have fought against a common enemy for the establishment of Indian independence. Where is the fly here in the ointment ? It is the foreign bureaucrat that is here trying to encourage people and to divide us. From the news published as recently as two days ago, it appears that the European element in the Executive Council have made common cause with some of the Muslim League Members of the Executive Council to tell the British Government that Pakistan is the only solution. That won't hold water, I may tell you. What is Pakistan ? Let us know about it. It is an economically unsound proposition ; it is politically unacceptable. If you want to have the completest freedom in every province, have the residual powers in the province which will not affect your development as a cultural community, as a religious community and as a political community. But when you want to have the defence of India, then I view Pakistan with misgivings. I shall quote one little passage which will create a stir in the mind of any honest person who tries to understand the purpose of Pakistan :—

"The desire of the Indian Muslims to have a Muslim State of their own is a part of a movement for the unification of the Muslim World (Silsila-i-Jamia-Vahdat Umam Islam) started in Turkey during the lifetime and at the instance of the late Ataturk under the patronage of the late Syed Jalil Ahmad Sinyusi. One of its aims is to create more Muslim republics in all those parts of the world which are predominantly Muslim, in addition to the Muslim States already functioning. Among the ten newly proposed republics one is to consist of Muslim Bengal, another is to be constituted by the Muslim North West India and the third by the Hyderabad State".

You want one Muslim State on the North West Frontier to be a contiguous piece of one Muslim bloc or Empire from the Middle East down to the North-West, you want one State on the East and one on the South. On the three corners of India you want to have an independent State which is likely to pamper to the pan-Islamic countries of the Middle East Arabic States. India can never accept that India is one and indivisible. The unity of India is shown by India's history, with its rivers and mountains and its under-current of culture, where both Hindu and Muslims have integrated into one another. If India is to have its place in the world, if India is to have its proper influence in Asia and Asia in the world, India must be an indivisible whole. Subject to this, that we will have a Federation, united for all the common purposes like Defence, Currency and Customs, and having the largest possible freedom in the composing parts.

There is the statement of Sir C. P. Ramaswami Aiyar which you might have seen in today's papers on behalf of the big States like Travancore, Mysore and Cochin, and you might also have seen the statement of the Nawab of Chhatari on behalf of the Hyderabad State. All point in one direction that there must be an integrated whole in the constitution where the parts can have the largest possible

freedom to develop their own individual States consistent with the unity and integrity and defence of this country. Therefore, let us not quarrel with one another and play into the hands of the third man. The game is already evident in the Finance Bill.

Mr. Mahomed Ali Jinnah, Leader of the Muslim League Party, has made a statement in November, 1944 to the *Daily Express* of London that if Pakistan is conceded by the British Government, the Muslim League will choose to remain in the British Empire, because he wanted the might of the British to defend a weak Pakistan. That shows that you want to create another Ulster, like Lord Carson, here and plant British imperialism permanently in this country. After all, we are all middle class leaders. The real leadership of the country is definitely passing into the hands of people who have suffered and for whom this country, Pakistan or Hindustan, is really intended. Let us not give up the game. Let us not run after the intriguing foreigners in this country who will always create troubles. Let us sit round a table. You and I may abuse each other today, but still we are brothers destined to live in this house—two brothers living in harmony in the same family and under the same roof. What I want to say is this, that posterity will not excuse us if we do not put the professions of the British Cabinet to proof and present a united front. There are vast estates which have come into this picture; these estates have integrated into India. Whatever Sir C.P. Ramaswami Aiyar may say about paramountcy, paramountcy is ultimately the people's; sovereignty belongs to the people and not to the rulers of the States or the rulers of British India. Everybody who rules this country, the popular minister who acts on behalf of the people, derives his authority from the people. Whatever these people may say we must be able to evolve a constitution where the representatives of Hyderabad, Mysore, Bikaner and the representatives of Bengal and the North West Frontier Province, and Madras and the United Provinces can all unite in one common purpose of upholding the glory of this country, and for that purpose let us not let go this opportunity of confronting the Cabinet Ministers with an agreed solution which they will not be able to reject. We are prepared, the Congress is prepared, to come to an agreement. Let us not meanwhile abuse each other. There is a degree of conduct, there is a level, even in political controversy. There is no use calling people who are considered as one of the greatest men as hypocrites. There are dictionaries big enough to find more abusive words for the other side. But the Congress is the elder brother and the Congress is bound to show greater forbearance at the somewhat impatient kicking attitude of the younger brother. Let the kicking attitude be directed against the ruler, against the third party. Let us not like a bully bully your inferior and cringe before your superior. I want you to learn the lesson that we are all answerable to the man in the street, to the large number of millions of people in this country whom starvation and disease and death confront today. It lies in our hands, in the hands of the two major parties in this country to solve this problem and earn the eternal gratitude of these people. It is with this background that I say the time has come for this Executive Council, who have started intriguing behind the back, to go out of this Government with decency and without dishonour. I have heard the speech made by Dr. Ambedkar. I do not want to reply to that. I feel honestly that the sins of the Hindu community will recoil on them if they do not do justice by the Harijans. There is no use quarrelling. Everybody seems to be fond of a little blood-letting. After six years of Executive Councillorship one can easily shed a little blood. It is not his blood; people are shedding other's blood instead of theirs. That is the tragedy. A revolutionary spirit is abroad. People are not going to keep quiet, the Congress or the Muslim League or any other body. Again I may tell you that communistic idea is getting such a stronghold on the people that Russia, on the North West Frontier, will create trouble for you. It has already started giving trouble by catching hold of Muslims. Let us learn a lesson from the history of China. Unity in this country is being constantly attacked by extraneous influences. We are such a vast population of 40 crores. Let us unite and see that we are leading lights in this world. With these remarks, I wish to oppose this Motion and request other members to vote against the Motion.

THE HON. HAJI SYED MUHAMMAD HUSAIN : (United Provinces West: Muhammadan) : Sir, we have just now heard a wonderful sermon from my Hon. friend. He was trying to make a strong case for unity and this sermon was presumably addressed to Muslims. After what they themselves have done during the last elections, it is most remarkable that one of them should address thus. Well, everybody agrees that unity is most desirable and it must be brought about at all costs. Indian case will never advance any further without unity. But what have we seen during the last elections ? The Government have been blamed for adopting a policy of divide and rule but it is remarkable that in spite of the professions of the Congress to the contrary, and in spite of the fact that they always blamed the Government the Congressmen have themselves adopted the policy of division. They have left no stone unturned. They have adopted methods—fair or foul, good or bad,- to create divisions and faction among Muslims. They admit that the majority of the Muslim population is with the Muslim League ; but yet the Congress tried to contest every seat by putting up fake candidates against the Muslim League candidates. I ask them, "What is the position of the Muslim League today? Is it worse than before the election or the same or better ?" The figures at the elections will answer the question definitely. They have spent their money and time to create troubles and differences among Muslims. This is what they had done in the past also, what they have done now and what they will do in the future. Let me point out, before the Congress rule in the provinces, no Muslim ever demanded a single yard of the Indian soil to rule over it. What they always demanded was the safeguards. They want to live peacefully in this country as a younger brother.

It cannot be said that any Muslim in this country aspired to rule even a small village. It was the Congress rule which has shown to us, to the world, that how the Hindus would treat us and this forced us to adopt the Pakistan resolution at Lahore in 1940. Let me also point out what they did subsequent to the passing of the resolution, what they did during this election—when they engineered the riots and encouraged the shedding of the blood by a Mussalman of a Mussalman. This was one of their pet games, but a game which will rebound very soon on their own heads. I charge them as they accuse the British. Now the test of their sincerity is that they should forget for ever that they will overrule in this country on the basis of their majority—a religious majority, not the majority of a party and this is a misnomer for democracy. Once they give up the idea to dominate the whole of India with Hindu rule then and then alone can any settlement be reached. I assure them that it will then reach within five minutes. A Mussalman does not want nor does he desire to rule the country but what he does want is that he be allowed to live in respect and honour. He is determined to shed the very last drop of his blood to see that he is not made the slave of any one—be it the British or the Hindus—if Hindus are prepared to give up the idea and stop their slave making machinery and come forward to talk to a Mussalman as an Indian—as their younger brother and not as their menial—then the real solution of the Indian problem will be arrived at. It is no good delivering a sermon and trying to show that they are doing everything. If merely by being vocal without the slightest intention of substantiating it they think they can come to a settlement with the Mussalmans, it is impossible.

Sir, I would like to point out that undoubtedly this Finance Bill has come under peculiar circumstances. Today after the war is over when the British Delegation is here to fulfil the British promise and transfer the power to the peoples of India. The British have been blamed—it has been an old complaint and charge against them—that they have all along been following the policy of divide and rule. Let me tell them that they are not new to the country and that they know all they phases and the political tangles in this country. If the Congress and the League and other important minorities cannot come to any settlement they ought not to leave or transfer the power in this country, because in this way they would perpetuate misrule for ever but what they should do, if they want to, is to impose constitution or constitutions which would be just, considering the rights of every nation and not to leave the country to civil war and adopt a constitution in which the rights of the Muslims and of other minorities are not properly safeguarded and that is the adoption of Pakistan for Muslims.

One thing, Sir, I would like to say in connection with this debate. The policy of the disposal of war materials has to be looked into very carefully. It is a very important thing. While the war was on it was really the capitalist who made money out of it but now it should not be allowed that when the war is over that those very things which they supplied should benefit them and them alone. I have heard of the desire of the Government that the disposal should be in such a way that the articles of use should reach the general public. What steps are they taking towards that end ? I am afraid, the policy of disposal, the method of disposal, is anything but satisfactory. I am prepared to say that the Government are encouraging the black market, by having a black market of their own at the auctions. At Cawnpore the motor cars and other articles which were once controlled were sold for a far more price than the price they could possibly fetch under the control system. If the Government by this method would encourage black marketting I am quite certain it would be useless to blame others. The articles which are being sold in Government auction, are of great value, but these would not come in possession of the general public if the Government does not look out and try to make profit in the black market of their own. This will be a very sad thing. I would like the Government to consider very seriously. It ought to appoint a strong committee of officials and non-officials to watch the method of the disposal—the auction—the kind of property, the ways and means that it should reach the general public for their uses and should not remain merely in the hands of a few capitalists. The Government ought to accept and form a committee for this purpose but it should not be a committee like the Railway committee or some other committees which meet once during the session but it should be a committee which should meet at least once in a month, and it will be only then that all this huge stock which has accumulated with the Government will be disposed of properly.

I do not want to take much time, Sir, but I should draw the attention of the Finance Department to the pay of the lowest servants, namely, orderlies and chaprasis. There is no doubt that the pay which they are getting now is not enough for them to maintain themselves and their families. There may of course be some who are better placed, but not in every department ; many of them are in such positions that they are not even able to receive little tips, much less become partners in corruption.

THE HON. SIR N. GOPALASWAMI AYYANGAR (Madras : Non-Muhammadan): Mr. Chairman, I do not wish at this stage, of a somewhat longish day of debate for this House, to follow the example of the two speakers who have immediately preceded me and try to devote a portion of the observations I may have to make to, and to talk at, the Cabinet Mission that has arrived in this country. I would rather confine myself to the relevancies of the debate on a Finance Bill, and I hope, Sir, I shall be able to confine my remarks on this occasion to matters which I hope it will be agreed will be strictly relevant to the subject of the Motion that is now before us, That Motion is that we take this Indian Finance Bill, 1946, into consideration.

I think the Hon. the Finance Member has reason to congratulate himself on the success that has attended his efforts in enabling him to get this Finance Bill through the other House. That is perhaps an event of striking importance if we look back at the history of the last few years. We have now before us this Indian Finance Bill, 1946, and, for the first time during the three years that I have been in this House, I am glad to find that we are asked to consider it on its merits, to propose amendments or improvements in it, so that, if possible, and if we are able to persuade those who are responsible for this Bill to agree with us, this Bill might be improved and made more satisfactory from the standpoint of the people of this country.

Now, Sir, my attitude to a Finance Bill of this description, I think, I have made pretty clear in the speeches which I have made on similar occasions during the two previous years. With all the background of my experience that I believe that administration in a country must be carried on. It is true that that carrying on has to be in the hands of a particular Government in office at the time. For carrying on that administration that Government requires funds, and the question is posed before us whether we should vote the supplies which are necessary to enable them to function in that way. My view is that there could be justification for a total refusal of supplies to a Government in office at a particular time only when by so doing it is possible for us to turn that Government out of office and instal another Government

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in its place to whom we could entrust the supplies that we are willing to vote. That state of things has not existed up to date in this country. I am therefore not interested in taking up the position that, for reasons extraneous to the financial needs of the Government, we should refuse to vote supplies.

But it will be asked : Why, if this was my opinion, I voted against a similar Motion in 1944 and spoke against such a Motion in 1945, though I was not able to be present at the time of voting in 1945. I think on those two occasions I made my position perfectly clear. On both those occasions this Bill came to us in a certified form : that is to say, we were asked to say yes or no. If we said yes, they said "Well and good, we will assent to what you have consented to. If you say no, we will still ask the Governor General to put his signature to the Bill and it becomes law". In those circumstances, I considered that a debate and a voting in this House on a Bill brought before it in that form was absolutely unreal and served no purpose, and I refused to be a party to having that Bill taken into consideration by this House under those circumstances. This year that impediment has been removed, thanks to an imaginative Finance Member. I consider that the Hon. the Finance Member on this occasion has dealt with the Legislature in the only fashion that an irremovable executive of which he is a member should deal with such a Legislature. In this connection I should like, if I may do so to read what I said on this subject in 1944 in my speech on the Finance Bill :—

"But there is one side to this picture, perhaps a minor side, to which I think I should draw attention if only for the purpose of demonstrating that the present executive of the Government of India have failed to react in a reasonable manner to the criticisms of the representatives of the public in the Legislature, and that they have displayed neither consitutional wisdom nor political imagination in tackling the situation created by these proposals. The Government of India are an irremovable executive appointed for a term. The present consititution throws upon them the duty of carrying proposals for expenditure and for raising revenues through the legislature. .....An Executive irremovable for a term, when it has to deal with a democratic Legislature, must, if possible, try and behave in a manner consistent with democratic principles, in so far as the truncated constitution under which that democratic Legislature is constituted and functions permits. Where the Legislature does not agree with the Executive, it is the duty of the Executive to see whether by negotiation and compromise it is not possible to meet the wishes of the Legislature in such a fashion as to prevent its refusing supplies altogether.

The mere prestige of the Executive should not stand in the way of acceding to popular opinion if that opinion certainly is neither wrong-headed nor deserves to be brushed aside as being crooked or unreasonable".

I consider that the Hon. the Finance Member took the only proper course for a member of an irremovable executive to do in a situation of this sort. When he heard the Budget debate in the other House he was impressed with the arguments that were adduced by his critics and with an imagination that is deserving of all praise he announced in his reply to the debate that he was willing to have his tax proposals re-examined in such a way that he might find it possible to agree to some of the proposals that had been made during that debate. He has done so. The Hon. the Principal Secretary for Finance has told us in what directions changes have been carried out in the original proposals. They are satisfactory so far as they go. Now, it would be wrong, I think, even for the Finance Member to run away with the idea that the success which attended his efforts at negotiation and compromise were entirely a compliment to his sweet reasonableness. We cannot rule out from the list of causes which contributed to this result the existence of political differences between the two major parties in the Assembly. That he was able to mobilise the strength of voting that he was able to do in the other House is due as much to the cause I have last mentioned as to the reasonableness of his own attempt at compromise, because, whether this kind of mobilised voting behind him will come to his support in all circumstances and under all conditions it would be difficult for any one to prophesy. But what I am particular in pointing out on this occasion is that that is just the thing that should have been done.

Now, Sir, it is rather late in the day but I will mention only one or two matters of some moment which will indicate the directions in which my mind is moving in considering the provisions of this particular Bill. I shall take up a somewhat minor point first, on which I should like to seek some enlightenment from the Finance Department. I gather, Sir, that there is a difference in the way in which "Salaries and interest on securities" on the one hand and "Income from other sources"

on the other hand are finally assessed. I wish to emphasise those words 'finally assessed'. Let us for example take 1945-46 as what is technically known as the accounting year. I am taking it as a mere illustration. Let us assume that the final assessment is to be based upon the income ascertained for that particular year, 1945-46. That assessment will have to be made in 1946-47. Let us assume again that a person gets an income of Rs. 10,000 from "Salaries and interest on securities" and gets another Rs. 10,000 as income from "Other sources". Under section 18 of the Income-tax Act, the tax is collected on account during the year 1945-46 at the rates prescribed for assessments in that year, usually at the average rate of the estimated total income under that particular source, namely, "Salaries". With regard to income from "Other sources", it is the same, that is to say the 1945-46 rate which is applied in ascertaining the payments on account under section 18A. When the final assessments come to be made in 1946-47, I gather that the present practice is to apply the 1945-46 rate to "Salaries and interest on securities" and to apply the 1946-47 rate to the income from "Other sources". I have been trying to find out why this difference should be made in regard to the rates to be applied to two different parts of the same income for the same year and I gather that the authority under which this is done is a clause which is repeated in the annual Finance Bill year after year. I have verified that that clause appears in all the Finance Bills since 1942. In the present Bill I would invite reference to sub-clause (3) of clause 11 where specifically it is mentioned that where the total income of a man includes income from "Salaries and interest on securities" the income-tax payable by the assessee on that part of his total income which consists of such inclusions shall be an amount bearing to the total amount of income-tax payable according to the rates applicable, under the operation of the Indian Finance Act, 1945, on his total income the same proportion as the amount of such inclusions bears to his total income. But for this specific clause I take it that income ascertained for 1945-46 would have been taxable at the 1946-47 rates. I should like to have some information as to why this distinction is made between the two kinds of income.

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I have discovered that this matter, so far as the income to be assessed is concerned, was considered by the Joint Select Committee which sat on the 1922 Bill. And they said :

"We have considered the suggestion that a distinction should be drawn between business or professional profits and fixed receipts, such as salaries and interest on securities, by taxing income from the former source on the basis of the income of the preceding year and income from the latter source on the basis of the income of the current year. We are satisfied that very little difficulty is likely to be experienced in connection with the system proposed in the Bill and that considerable confusion would be created if for income-tax purposes a part of a man's income was taken to be the current year's income and another part to be the income of another year. We therefore make no change".

They left the thing without any change in the Income-tax Act itself. If they thought that confusion would be created by taking the two parts of a man's income as relating to two different years, the same confusion will be created if the rates of two different years are applied to the two parts of man's income. There is also this trouble. Supposing, for instance, you take a man earning a salary in 1946-47. It is quite possible that the rate that was applied to his income during 1945-46 at the the 1945-46 rates might be heavier, as under some of the proposals in this particular Bill it would be, than if the 1946-47 rates were applied to the same income. There a man earning a salary stands to lose : the contrary also might happen. What really is the justification for this distinction in rates between one part of a man's income and another ?

The next point I should like to refer to is the duty on betel nuts. My views on this question have been before the House previously. I do not wish on this occasion to elaborate those objections of mine to this duty. Personnally I think the duty ought to have been removed altogether, and this could have been done without much inconvenience to the budgetary requirements of the coming year. After all, the reduction which the Hon. the Finance Member has agreed to, reinforced as it was by two lady members of the other House, means a drop of something like 80 lakhs from this source of revenue. What remains out of the duty in the coming year will only be about 80 lakhs : and, in a tax system such as that of the

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Government of India, an excise which is calculated to produce only these small amounts—it is a matter for very careful consideration whether that tax system should carry these petty items of revenue. As reductions have been made, a reduction of half an anna and then an additional reduction of another half anna and the Finance Member, at the end of a long debate, made it clear that he was unwilling to consider any further reduction in the rate of this duty. I do not propose to pursue this matter further.

The only other point I wish to refer to is the salt duty. I have given notice of an amendment in this connection. But I think it is as well that at this stage. I give an outline of the considerations which have weighed with me in asking for this further relief in favour of the poor man. When I was speaking during the General Debate on this Budget, I welcomed the Hon. the Finance Member's undertaking in the other House that he would subject the whole field of indirect taxation to a thorough scrutiny and see what reliefs could be afforded to the poor man and welcoming that as I did, I drew his attention to the fact that the first duty that he should address himself to in this connection was the salt duty. Now, the history of the salt duty is a very old one. It would be unnecessary for me to go into it at very great length. The matter has been discussed threadbare in the Central Legislature on many occasions. The salt duty brings in a revenue of somewhere between 8 and 9 crores, and I suggested in the course of my remarks during the General Budget discussion that the Hon. the Finance Member might well consider the desirability of reducing the rate of this tax from Rs. 1-9-0 to 12 annas In the course of his reply to my remarks the Hon. the Principal Secretary for. Finance drew attention to the usual objections against tinkering with the salt duty, the main point being that the burden when spread over the whole population did not mean more than 3 annas per head. I think it is somewhat heavier than 3 annas at present. It is probably nearer 4½ annas. I think 3 annas was the figure which the Taxation Enquiry Committee of 1925 arrived at. But even taking that as indicating a very small burden on the shoulders of the poor man, we have got to recognise that it is not the smallness of this burden alone that should weigh with us in considering whether we should give relief to the taxpayer in respect of this particular duty. Salt is a necessity of life. No human being can go without salt and in a sense, as the Taxation Enquiry Committee pointed out, it works as a poll tax. The great bulk of the tax is paid by the poorest of the poor, by those who are least able to make any contribution to the expenditure of the State. It is not merely required for human beings, it is required for cattle, it is required for use in industry and agriculture. On the other hand, it has to be recognised that this tax is a very old one and has prevailed in very many countries. I believe in this country it is more than a century old. It has existed in some form or other practically throughout the country.

The quantity consumed by the individual is small and the tax he pays perhaps may be small, but he has the feeling that he also makes a contribution to the expenditure of the State. As I said the other day, I am not amongst those who want to see this tax abolished altogether. I think it should remain, but I also at the same time think that we should reduce it to a figure which will be appreciated by those for whom it is intended. Take the present proposals of the Hon. the Finance Member Each of the concessions he has agreed to is in itself trivial, if one may say so, but he recognised the need from a purely psychological and, if I may add, a political point of view that reliefs in a budget of this sort should go not merely to the rich and the moderately rich but to the poor also, and that is the reason why he has agreed to all the concessions he has made in respect of post-cards, matches, kerosene, betel-nuts.

Now none of these different commodities can compare with salt as regards the universality of the burden thrown upon the whole population. There are whole sections, large sections, of the poor who hardly buy kerosine, who hardly get a post-card or send one, but if you take a thing like salt everybody does contribute something to the State in an indirect form and if really your objective is to give relief to the poor the first thing that I think the Hon. the Finance Member should tackle is the salt tax. Now, it may be asked whether supposing we did reduce the tax, the benefit would be passed on to the consumer? Well, all that I can say is

that there is a certain minimum quantity of salt which even the poorest of the poor do require. So far as that quantity is concerned, he will buy it at a high price as much as he will buy it at a low price. But if the concession that we offer to him is substantial, if it is not a question of merely one or two annas this way or that but it is something really substantial, I think it would get passed on to the consumer and perhaps the consumer would consume more salt than he would do with the prices at their present level. That is one reason why in proposing the reduction I have asked for a reduction of 13 annas—slightly more than 50 per cent. of the existing rate of duty. It would perhaps have been easier for Government, if they are inclined to do so, to accept a reduction to Rs. 1/4/0 which ruled for many years, but I think a reduction of merely 5 annas is not going to be of very substantial benefit to the person for whom we intend it.

I was rather interested to notice what happened in the other House over this matter. I gather that a Motion to delete the duty altogether was lost. I wonder if it was voted on as on an amendment or the vote was taken merely on the Motion that the particular clause do stand part of the Bill. I have not been able to verify it but that Motion was defeated. There were a number of other Motions on the agenda which gave notice of amendments for reductions of this duty to various figures but none of these were moved after the original Motion was lost. I have not been able to find what was at the back of the minds of the Members who had given notice of these amendments but who refrained from moving them after that first Motion was defeated.

Now, in reply to the debate on the Motion proposing the deletion of the clause, the Hon. the Finance Member mentioned a few arguments which perhaps it is worth traversing in this connection. He thought that his agreeing to the Motion would have been evidence of a certain amount of irresponsibility to his successor, and he was careful to add "or successors"! He also seemed to be of the opinion that the Taxation Enquiry Committee was not persuaded in the direction of the views which had been put before the House by the critics there and that what did not persuade the Taxation Enquiry Committee could hardly be expected to persuade the Hon. the Finance Member in that House. Now, these two positions, I take as representing what he thought could be stated against a total abolition of the duty. I can understand the argument about irresponsibility if he was doing away with the tax altogether and his successor when he came into office found that a salt duty was not an item in the tax system which he could manipulate in the directions he would prefer; but it cannot apply to proposals for a more reduction of the duty. The Finance Member took pride in the fact that it had been given to him to restore the half anna post-card but proceeded to say that the glamour which would attend his agreeing to the abolition of the salt duty would certainly have been much greater, but he resisted the temptation because of this fear of a charge of irresponsibility.

THE HON. SIR MAHOMED USMAN (Leader of the House): May I know how long will the House be sitting?

Mr. CHAIRMAN (the Hon. Sir David Devadoss) (to the Hon. Sir N. Gopalaswami Ayyangar): Will you take very long?

THE HON. SIR N. GOPALASWAMI AYYANGAR: I will take another ten minutes. If you want I will finish tomorrow.

Mr. CHAIRMAN (the Hon. Sir David Devadoss): I think you had better reserve the remaining portion of your remarks for tomorrow.

THE HON. SIR N. GOPALASWAMI AYYANGAR: I would like to finish this particular point just now.

Mr. CHAIRMAN (the Hon. Sir David Devadoss): I think we can stay for another ten minutes.

THE HON. SIR MAHOMED USMAN: We all have engagements.

THE HON. SIR N. GOPALASWAMI AYYANGAR: Sir, I wish to refer to the Hon. the Finance Member's objection on the ground for political reasons. Now Sir, you will remember that I myself said the other day that I was not wedded to the abolition of this duty altogether. I have since discovered that I said something

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similar to the Taxation Inquiry Committee itself as far back as 1925. Giving evidence before it, this is what I said :—

"The question of whether in the present condition of Government of India finance it is necessary to retain the salt duty at all or to levy it at the rate of Rs. 1-4-0 a maund is one whose decision should be guided by purely budgetary considerations. The tax is at present intensely unpopular mainly for political reasons. But political objections to a tax are not factors which can be ignored in financial policy. Nevertheless from the standpoint of financial principles the salt duty is a legitimate source of revenue for the State and is a financial reserve of considerable elasticity".

I should rather modify, in more sober language, that last part of my evidence in 1925. At that time the salt duty was somewhere about 10 to 12 per cent. of the total revenues of the Government of India ; I think today it is hardly 3 per cent. perhaps less. But all the same that was the position I took at that time. The Taxation Inquiry Committee also, I think, on the whole agreed with it. The spirit of their recommendation was that the duty in normal times should be fixed low and that when an emergency occurred you could raise it for the purpose of raising additional resources necessary for meeting the emergency.

Now, Sir, the only further point I want to make in this connection is this. The House would have noticed that the question of what the rate of salt duty should be should be a matter entirely guided by budgetary considerations. It is quite possible, Sir, that the argument would be advanced that we have got a budget in which the revenue side of the account has ended in a substantial deficit, and it might be argued further that it is undesirable that we should increase that deficit. Well, on this point I have pointed out certain considerations during the general budget debate, but I wish only to point to one method by which this reduction could be accomplished without disturbing the quantum of the revenue deficit in the budget, and that is this. I mention this today in case the Government should be inclined to consider seriously the proposal I shall be making in the amendment tomorrow, The amount of excise duty on salt manufactured locally is 741·75 lakhs ; the duty on imported salt is 152·25 lakhs. The total, roughly, is 894 lakhs. If the duty be reduced from Rs. 1-9-0 to 12 annas, the drop in receipts would amount, roughly, to 4½ crores. Now, this, if it stood by itself, would worsen the revenue deficit by 4½ crores but I do not think it is necessary to worsen the deficit at all. I would remind the Hon. the Principal Finance Secretary of what I said about the provision which his budget has made for reduction or avoidance of debt. That is shown as a debit of 5 crores on the revenue side of the budget. It goes in as a credit into the capital side of the budget. It is not required for capital expenditure, because you are raising a loan of nearly 300 crores out of which you are not going to spend even one-half, and the only thing that that credit of 5 crores to the capital side of the budget would mean is that it will go into your closing balance. I can understand a debit to revenue of 5 crores if actually that amount went into an earmarked sinking fund or if the loan funds you require for capital expenditure in the budget year can be reduced by the amount of the appropriation you make from revenue. That is not so in this case, because, as I have said, you are borrowing nearly twice as much, or more than twice as much, as you need for capital expenditure in the coming year. If the Government should be so inclined as to consider this proposal favourably, I think it is quite possible for them to accept it without inconveniencing themselves as regards the quantum of their budget deficit.

The Council then adjourned till Eleven of the Clock on Saturday, the 30th March, 1946.

COUNCIL OF STATE

Saturday, 30th March, 1946.

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

STANDING COMMITTEE FOR THE POSTS AND AIR DEPARTMENT

THE HON. SIR MAHOMED USMAN (Posts and Air Member): Sir, I move:—

"That this Council do proceed to elect, in such manner as the Hon. the President may direct, three non-official members to serve on the Standing Committee to advise on subjects, dealt with in the Department of Posts and Air during the year 1946-47."

The Motion was adopted.

THE HON. 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 Wednesday, the 3rd April, 1946 and the date of election, if necessary, will be announced later.

FINANCE BILL, 1946-47—*contd.*

THE HON. THE PRESIDENT: The debate will now resume on the Finance Bill.

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern: Non-Muhammadan): Mr. President, the Finance Bill as it has come to us embodies many alterations which have been made in it by the Assembly. These alternatives relate to the lowering of the duty on kerosene, reduction in the price of matches, reduction of the duty on betel nuts from 2 annas to 1 anna and reduction of the duty on raw films from 6 pies to 3 pies. The Bill in its present form cannot be said to be either a rich man's budget or a budget meant to benefit the middle class. I think it benefits all classes. The poor man may not benefit much from any individual reduction but I am sure that he will appreciate the cumulative effect of all the reductions that have been made in the other House. In spite, Sir, of the improvements that have been made in the Bill there are two or three points that deserve consideration in respect of it. It has been criticised on the ground of the immediate and complete abolition of the E. P. T. I personally think that the fears of the Finance Member that the State would be called upon to pay a large sum to make up for the losses that might be suffered by those subject to it are rather exaggerated, but the tax having been abolished, it is unprofitable to discuss it. Its speedy abolition was inevitable, in any case. We have therefore to reconcile ourselves to its disappearance from our Budget.

The changes with regard to taxes on income do not, however, fall in the same category. I do not want to examine them in detail. I want to concern myself only with that aspect of the Finance Bill which concerns the joint Hindu family. I have ventured in the past to bring the grave injustice that is done to the Hindu community in this respect several times before the Finance Member, but every time I was met with the reply that while the question could be considered independently, it could not receive consideration in connection with the Finance Bill. Now I understand that the Finance Member said in the other House a few days ago that this matter would be referred to the Taxation Inquiry Committee. This injustice, which could have been rectified long ago, has been allowed to continue so long and is not to be considered even now by Government. They want to shelve the question by referring it to the Taxation Inquiry Committee which may take many years to report. I think, Sir, that if Government have any regard for justice in taxation, they should take up this matter immediately.

There is another question which is connected with the changes that have been made in connection with the incidence of the super-tax which will bear even more heavily on the joint Hindu family than it has done so far. Up to the present time the joint Hindu family must have an income of Rs. 75,000 a year before it can be required to pay super-tax. This limit has now been lowered to Rs. 25,000. The injustice has, therefore, deepened. Government, while saying that they would refer the question of giving relief to the joint Hindu family to the Taxation Inquiry Committee, are not prepared to wait till it has reported before imposing further

[Pandit Hirday Nath Kunzru]

burdens on such a family. I submit, Sir, that this is very unjust and Government ought to pay special attention to this question and ought at any rate to make no change which places the Hindu community in a worse position than that in which it is at present.

The next tax, Sir, about which I should like to say a word is the tax on betel nut. I am glad that it has been halved. With the duty as it is at present Government will be able to get a yield annually of about Rs. 80 lakhs from it. I venture to think, Sir, that in relation to the magnitude of our Budget and to the general considerations on which the Finance Member seems to have proceeded in making remissions, it ought not to be worth the while of Government to maintain it. Betel nut may be regarded as a luxury, but leave something to the poor man that is untaxed. I do not by any means say that the poor man should not make any contribution to our finances, but you are making him pay in the shape of duties on tobacco, matches, kerosene, salt, and so on. Is there any reason why you should tax even betel nut, particularly when owing to the feeling prevailing in the country and the Legislature Government have agreed to reduce the duty and the yield will consequently be of the order of about three-fourths of a crore? I think it is still time for the Finance Department to reconsider the matter, although the Finance Member said in the other House a few days ago that he would not be prepared to agree to a further reduction of the proposed duty.

The observations that I have made with regard to the Finance Bill and the reductions that have been made in the Assembly leave me to a consideration of our general revenue position. Normally, Sir, taxes are reduced or abolished when there is a surplus in the Budget. This year, however, financial proposals have been made by the Finance Member the net effect of which according to him is to increase the deficit which already stood at about 48½ crores by 21½ crores.

THE HON. THE PRESIDENT: You must remember that the previous taxation was war taxation.

THE HON. PANDIT HIRDAY NATH KUNZRU: You may be certain, Sir, that I shall not overlook this important point. As the proposals stood before their consideration by the Assembly, the deficit amounted to about 70 crores. It is true that this has been reduced to about 44 crores by the transfer of about 26 crores from the two War Risks Insurance Funds. But this money is in the nature of a windfall. We cannot count on such income year after year. I think we must therefore realise that there is at the present level of revenue and expenditure a gap of about 70 crores between the two. Now, the changes made in the Assembly would amount to remissions to the tune of about 6 crores. Taking into account the cut made in the expenditure of the Information and Arts Department of about a crore, the net effect of the action taken by the Assembly would be to raise the deficit to the neighbourhood of 75 crores. It is obvious, as I said, that revenue considerations did not warrant any remissions in taxation. It is clear, however, that Government felt that the country was no longer prepared to bear the heavy burden of the taxation imposed on it during the war years. I have no doubt that the view of the Government is perfectly correct. The continuance of the old taxation would have led to grave dissatisfaction in the country and would have contributed very materially to the growth of the discontent which has been in existence for a long time on political grounds. The step that they have taken is therefore a wise one. But we have to consider, nevertheless, what our future revenue position will be and what ought to be done to strengthen it should there be any need for taking such a step. Sir, I do not know to what extent the arrears of the E. P. T. would be realised in the year 1947-48. But I take it that Government do not expect to collect more than, say, 25 crores in that year. If this assumption of mine is correct, there will be a drop of about 50 crores in the revenue from the E. P. T. Then there will be a drop in the income-tax and the super-tax and so on. We may therefore safely come to the conclusion that the reduction in revenue would be of the order of 150 crores. Now, how is this situation to be faced? The only possible way of making up for this loss of revenue is to reduce military expenditure. It has been reduced, I believe, by about 140 or 150 crores. But even now it stands at a very high figure, 246 crores. But even if the drop in military expenditure next year is of about 150 crores, this reduction

will just suffice to cover the loss of revenue on which I have already dwelt. The position is such that speedy steps must be taken to reduce the military expenditure. Our situation is such as to call urgently for it. But even when the Government of India have done all that they could in this respect, our revenue position. it seems to me, will be far from satisfactory. I have already referred to certain factors in this connection. I may refer to one or two items which will add to our expenditure. Consider, for instance, the policy of the Government of India in regard to the raising of loans. If they continue to borrow at the rate of 300 crores a year, there will be an increase in interest charges of about 9 crores annually. Then, we have to consider the expenditure on social services, education, public health, etc. Further, the grants that have been made to the Provincial Governments from Capital cannot, I suppose, be made to them year after year from the same source. They will have to be transferred to revenue expenditure. This will by itself make a big increase in that expenditure. There is again the money that would be required for implementing the policy of subsidising the poor man's food should that be accepted by Government, and so on. We thus see that while our expenditure will grow our revenues at present are not so elastic as to make us feel that we would be able to provide the money that our needs will require.

Now, Sir, Government cannot but be aware of the situation that will arise in this respect in the near future. They must have reviewed the course of our finances during the next five or six years and come to some conclusion. I think we are entitled to ask them to place the results of their review before the House. Every one is deeply interested in this subject. We should like to know, therefore, what will be our financial position during the next five or six years so far as the relevant factors can be appreciated at the present time. We should further like to know what in their opinion would be the normal growth of our revenue annually. I hope, Sir, that the spokesman of the Finance Department will be able to provide us with adequate information on this subject.

Sir, in view of the position that I have outlined the appointment of the taxation Inquiry Committee must be regarded as an important measure. We have been assured by the Finance Member that its duty will be to consider the character of our present tax structure, the incidence of the taxation and the adequacy of the funds at our disposal to the needs of post-war development. Let us hope that the Committee will be able to discharge creditably the onerous responsibility that has been placed on its shoulders.

Sir, in view of our financial position it is of the utmost importance that we should take care of every source of revenue and reduce unnecessary expenditure. Now, in connection with the first point, I would refer to the interest paid to us on our Sterling balances by His Majesty's Government to which I referred during the budget debate also but on which the Principal Secretary for Finance, or super-Finance Secretary, whatever his new designation may be, was silent. Sir, till about three years ago, we received in the aggregate, I think, about 1½ per cent. interest on our Sterling balances but examining the figures as they stand at present it seems to me that the rate of interest has been considerably reduced. It seems to be now even below one per cent.; it will probably be in the neighbourhood of ·8 per cent. Now, I should like the Principal Secretary for Finance to point out whether there has been any reduction in the rate of interest, and, if so, what is the reason for it? Sir, we borrowed money for H. M. G. at 3 per cent. We received interest on the Sterling balances at the rate of 1½ per cent. and the rate has been lowered further. Is this a fair proceeding? Is it not the duty of the Government of India to press that H. M. G. should bear the burden of paying the full interest on the money borrowed for their needs? I think, Sir, that this is a very important point. If His Majesty's Government deal justly by us in this matter we shall get relief to the tune of Rs. 30 crores annually.

The next point, Sir, which I should like to refer to, though it is a much smaller one, is the amount of the compensation paid by Government to those who suffered on account of the Bombay Dock explosion. I believe that they have paid about Rs. 15 crores to the sufferers. Now, the report of the Dock Explosion Inquiry Committee, I think, makes it clear that the responsibility for the explosion was not ours. The compensation for the damage sustained by the sufferers should

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therefore, be borne by His Majesty's Government. Have the Government of India made any attempt to recover the sum paid by them from the British Government ? If they have we should like to know whether it has been recovered or whether there is a reasonable hope of its early recovery.

Now, Sir, I shall pass on to the question of reduction of expenditure. I have already said that the main reduction in expenditure that we can reasonably look forward to is in connection with military expenditure. Although owing to the military and the foreign policy of India being under the control of His Majesty's Government, we have been walled off from the outside world, the war has made every one of us aware of the character of the world we live in. It has made us realise our relationship to other countries. We are, therefore, prepared to bear the burden of making adequate provision to safeguard the integrity and honour of India but the heavy burden that this will impose on us can be borne only on two conditions. The first condition is that our Army should be nationalized. Our Army should be our own and should be Indian from top to bottom. If we enter a war the Army of India should stand on the same footing as the Army of any other country and not be in the humiliating position which it has occupied during the last 90 years. Again, Sir, this army must be placed under Indian control. If the army is to be fully nationalised, it is obvious that it must be placed under our control.

The second question is that British troops should cease to form part of the Indian Army. We cannot be reasonably expected to pay the heavy cost of maintaining British troops. The Joint War Secretary said in the other House, during the Budget debate, that if Indian troops were substituted for British troops, the saving would be of the order of 20 crores. The Finance Member, however, is reported to have committed himself to the statement a few days ago in the other House that the total cost of the British Army amounted to 20 crores. Now, there is a serious discrepancy between the two statements, and it seems to me, if the statements as they are reported are correct, that it is Mr. Mason and not the Finance Member who is in the right. The British Army in this country surely cannot cost only 20 crores. The expenditure must be much higher than that. Mr. Mason's statement shows how much India stands to gain by a substitution of Indian for British troops. I note, Sir, that there is no representative of the War Department today in this House. I was sorry to learn yesterday that my Hon. friend the War Secretary had fallen ill. But it was the duty of the Government in that case to bring somebody in to take his place. It is an insult to this House that there should be no representative of the War Department here to take note of our criticisms in connection with military policy and expenditure. So long as His Excellency the Commander-in-Chief was here, he took scrupulous care to be present on every important occasion. His disappearance for a few days from the Council should not lead the Government to neglect the consideration which they should pay to this House. I hope that some explanation will be forthcoming of their failure to have somebody here to represent the War Department.

Now, Sir, having referred to the questions of policy regarding the War Department, I would refer rapidly to two or three matters which will help in bringing about further reduction in its expenditure. I have already referred to the Resettlement Directorate. I should now like to refer to the Public Relations Directorate. This Department was created during the war. Its duties before the war were discharged by the Military Intelligence and Military Training Directorate. What is the need for continuing it now ? Its duty is supposed to be to publicise the exploits of the Indian Army, but I doubt whether it has succeeded to any appreciable extent in doing so. I cannot say that it has even succeeded as well as, or as ill as, the Information Department in connection with the duties entrusted to it. No one who has seen the film called " Desert Victory " or who knows how, when our army was fighting in Burma, the accounts that were published in the papers abroad tended to create the impression that it was a wholly British army, would attach any value to the activities of the Public Relations Directorate. Again, Sir, when Observers were appointed, most of them were British ; some of these people did not even know the language of the Indian soldiers. I do not want to dwell on this matter any further but I think that the time has come when this Department ought to be abolished. There

is absolutely no need for it. Early steps ought to be taken to wind it up. Our troops are not fighting now, they are not going to fight even in Indonesia. Publicity given to what our troops were doing there brought us no credit. But happily our troops will not be called upon to fight there. What is it, then, that this Public Relations Directorate is going to publicize about the exploits of Indian soldiers ?

I will now briefly refer to another service that has been recently created by the Government—the Lands, Hiring and Disposals Service. This is a newly created service. So far as I know, it is going to be staffed, or it has been staffed, entirely by British officers, a large majority of whom have been imported from England on high salaries. I do not know what the number of these officers is ; I should like to know what it is. These officers are unacquainted with the land tenures in India or with the Indian system of valuation. Why should British officers who were unacquainted with conditions in India have been imported ? Were there no competent Indians available ? Could not the Military Estates Officers, who are trained for this kind of work, and all of whom with the exception of three are Britishers, undertake this duty ? Some of them, I know, have been transferred to important appointments in the new service on higher salaries. No Indian has been promoted to this service or been given any promotion in the Military Estates Section. The service is a monopoly of British officers, as practically the other service—the Lands Branch of the Cantonments Department—is and there is no reason why expenditure on this costly service should be incurred. If it is necessary to expand the Lands Branch of the Cantonments Department, expand it, but appoint Indians who are competent to discharge the duties which the new officers will be called upon to perform. This is another instance which shows that there is waste going on in the Army and that little consideration is being paid even now to the claims of Indians.

Lastly, I want to refer to the Welfare Service. Wherever I have gone, Sir, I have found serious dissatisfaction with this service in the Indian Army ; and this dissatisfaction exists not merely in this country but also abroad. I have been to the Middle East and Malaya, and I therefore know what the feelings of the troops there are. I was recently in Malaya, and although we are told in the Explanatory Memorandum of the War Secretary that the scale on which amenities will be allowed to Indian troops has been raised, there was in Malaya great deficiency of such things as literature, wireless sets, gramophone records, and so on. New films were almost impossible to get. Again it is obvious that the welfare of the Indian soldiers can be looked after better by Indian than by British officers. But the number of Indian welfare officers in Malaya is much less than that of British officers although the Indian soldiers form the bulk of the army in Malaya. Further the officers at the top are all Britishers. Unless this state of things is remedied, unless Indians are placed in directive positions, the problem of providing adequate amenities for Indian soldiers will never be properly considered.

Sir, this welfare Department is responsible for what is known as the Fauji Dilkush Sabha. It is supposed to be an organisation for providing entertainment for the Indian soldiers. According to the Explanatory Memorandum for the Defence Services about Rs. 72 lakhs are going to be spent on it in 1946-47. But, Sir, this Fauji Dilkush Sabha does no credit to the War Department. The business of the War Department ought to be to raise the cultural level of the troops. But if it cannot do that, if this task is beyond its power, let it at any rate refrain from doing anything which will lower the tastes of the soldiers and drag them down morally. As it is, the Fauji Dilkush Sabha is a disgrace to the War Department and if it cannot soon be improved it ought to be wiped out.

Sir, I do not wish to take the time of the House any more, though I should have liked to make a reference to the expenditure on development. It is a very important question. If our expenditure is to drop considerably—and there will soon be a reduction of the order of 300 crores in military expenditure—it is obvious that, if the present levels of employment and production are not to go down increased expenditure must be incurred on economic development and particularly on industrial development. I have no time, Sir, to go into it despite the indulgence that you have shown me. I would only therefore ask the Principal Secretary for Finance to tell us what the plans of the Government in this connection are. I am also aware of what he Finance Member has said. I am also aware of the Government statement on their

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industrial policy. But I want to know what the programme of expenditure on development during the next five years will be, what will be the respective parts played by the Central Government and the Provincial Governments and how far the help of the private industrialists will be available in so far as Government can judge. I hope, Sir, that this matter will receive the consideration of the Finance Department. Sir Jeremy Raisman considered this matter from the financial point of view some time ago. He reviewed the finances in order to see what money would be available for development during the next few years. We should like to know whether Government have made any further review of the financial position because the estimate made by Sir Jeremy Raisman seem now to be out of date. What is the present position with regard to the provision of money for expenditure on development? What is the programme that the Government have framed for execution during the next five years and what are the opportunities that we shal have of obtaining the necessary materials from the U. S. A. or U. K. in order to carry out any policy that Government might adopt?

One word, Sir, with regard to our attitude towards the Finance Bill before I sit down. We have so far, with the exception of the year 1942, voted consistently against the Finance Bill on political grounds. We have done so as a protest against the failure of the Government of India to settle the constitutional question. We changed our policy in 1942 to the extent of remaining neutral. We showed in this way our goodwill to Sir Stafford Cripps who came here then on behalf of His Majesty's Government to consider the constitutional question in consultation with the Indian representatives. We have now in this country the Cabinet Delegation whom every one will wish Godspeed in their work. We all hope that their efforts will be crowned with success. But we do not as yet know what the result of their labours will be and what will be the final proposals that will emerge from them. We cannot therefore go so far as to support the Finance Bill. But, in order to show our great appreciation of the step taken by His Majesty's Government in sending out the Cabinet Delegation to this country and of the pronouncements that has recently been made on the question of India's freedom by the Prime Minister, we shall refrain from voting against the Finance Bill. We are all well aware, Sir, of the serious international situation. Self-government at such a time is not a privilege. It will be a heavy responsibility. But if power is placed in our hands now, there is still a fair chance of our being able to play an important part not only in placing Indo-British relations on a satisfactory basis but also in the solution of international questions.

THE HON. MR. J. M. B. GIBBONS (Bombay Chamber of Commerce): Mr. President, I rise to offer my full support to the Finance Bill and while I welcome the pronouncement just made by my Hon. friend Pandit Kunzru that on this occasion he will remain neutral— —

THE HON. THE PRESIDENT: His Party will remain neutral and not he alone.

THE HON. MR. J. M. B. GIBBONS——that he and his Party will remain neutral, I would still commend this Bill for the support of himself and his Party and of other Hon. Members who have announced their intention of withholding support. I can quite appreciate the point of view which in the past has prompted the elected representatives in both the Houses to withhold their support from these Finance Bills. After all, it has always been one of the foundations of British democracy right throughout the years that there should be no taxation without representation. That principle has been fought for and has been brought up time and again throughout the history of British democracy. I think in the last occasion when it appeared was when the House of Lords were deprived of the ability to interfere with a money Bill some 35 or 36 years ago. Therefore, I can fully appreciate the motives which hitherto have led the elected representatives in these Legislatures from supporting those Bills. I do submit, however, that this occasion is considerably different. As my Hon. friend Pandit Kunzru has said, there is this Cabinet Delegation out here with the intention of transferring power as soon as possible to a popular representative Indian Government. And that being the case, it seems to me that this House should take into consideration the fact that by accepting the Finance Bill now you are not providing this existing Government with supplies to

carry on, but you are providing ways and means for the successors of this Government to carry on the administration as soon as they step into power. This occasion, I suppose, is probably unique in history. There has never been, so far as I know, a voluntary transfer of power on this scale. Great constitutional changes of this kind have usually been preceded and accompanied by bloodshed, revolution and force of arms of all kinds But here you now have a Government quietly sitting down and devising ways and means for its successors to take over from it and carry on the administration of the country, and I do feel that this situation might well be recognised by all members of this House by accepting this Bill.

As regards the details of the Bill, I have a little to say and I will not detain the House long. I would like to mention the excess profits tax the abolition of which has been the target for a certain amount of criticism. I would emphasise that the abolition of the excess profits tax does not mean that the whole of that money reverts to the hands of the industrialists, because it still is liable to the income-tax and super-tax provided for in this year's Budget. I too myself think that it is a wise measure on the part of the Government to have taken this early opportunity for its abolition. The experience of His Majesty's Government after the last war provided a very apt lesson for any Government to secure their profit and hold on to it. I think in the other place the Hon. the Finance Member mentioned that the amount of refunds which His Majesty's Government had to provide was in the neighbourhood of £100 million— —

THE HON. SIR CYRIL JONES: £1,000 million.

THE HON. MR. J. M. B. GIBBONS: The figure given by the Hon. the Finance Member was 100 and I thought he had dropped a nought. They had to provide £1,000 million at the end of the last war in refunds of excess profits tax. I think one must consider that the Finance Member has acted exceedingly wisely in holding on to the profit on this occasion——

THE HON. SIR SHANTIDAS ASKURAN: In their own interest.

THE HON. MR. J. M. B. GIBBONS: In their own interest.

As far as other matters are concerned, one point I would like to make in connection with the Taxation Inquiry Committee is that I feel that it is high time that a full review was taken of the present Income-tax Act with a view to its simplification. It is not pleasant to have a tax taken from one at the best of times. But when it is a matter of considerable difficulty to find out exactly how much tax is due, it adds a great deal to the pain of losing that money. There is one point in particular in connection with that, and that is, at the present time Appeal Tribunals which sit on cases publish no results of their appeals, and while the appellant might very well find out beforehand before going to the trouble and expense of appealing whether there has been any decision on this particular point before, he is unable to do so, because of the failure of these Tribunals to publish the results of appeals before them. I hope, however, that when the Taxation Inquiry Committee starts on its re-codification of the Income-tax law that the results of these Tribunals will be adequately codified and recorded too. Otherwise in general I would support very strongly the speech of my Hon. friend Sir Shantidas Askuran. He and I are both businessmen; we think alike on these matters; and what we feel is needed now is ability for commerce and industry to get on with the task of providing more consumer goods for the people of this country. If commerce and industry are going to be able to get on with that task, it is urgently necessary that there should be as great a relaxation of control as quickly as possible. I would also urge that a great speeding up in the tempo of administration is required, and particularly in the reduction of unproductive expenditure and its deflection to productive expenditure. The most signal instance of unproductive expenditure at the present time is of course the Military Budget; and while in some directions one cannot in all good sense urge any reduction in that in so far as the defence of this country is concerned, there is a considerable field in other directions for a reduction in this Budget. I refer to the dismantling of the tremendous war machine that has been built up and that is due for dismantling. In many ways this could be speeded up—derequisitioning of requisitioned buildings. I myself live in Bombay. There a house was requisitioned by the military some time ago. It was used as headquarters but for a

certain force employed on comparatively secret missions. That force has been disbanded for more than six months, and yet that house is still in occupation by the military, as far as I can see, by half a dozen men. The place would be exceedingly welcome for civilian occupation. Again about a month ago I was trying to put through a trunk call to Karachi. I failed to do so. Shortly afterwards I was listening to an R.A. F. officer of no particularly exalted rank telling one of his friends that he had been telephoning to Karachi and he had spent three quarters of an hour talking. That is the kind of economy that I feel could very quickly be put into force by the Army. During the war too numbers of temporary appointments have been made in the Army. They have no relation to the ordinary peace-time organisation—but are a purely war measure involving additional officers, higher ranks and all that kind of thing. The sooner the temporary ranks are abolished and the army reverts to its normal peace-time organisation the sooner will expenditure fall. I can instance a number of cases of fairly senior officers who have come to the end of their employment who are anxious to retire and to leave the country. They have not been able to secure their release for reasons which they themselves are unable to fathom.

It is in those directions that I feel that there should be a speeding up of reduction in the military budget. At the same time, I advocate not the reduction of one single rupee in essential expenditure for the defence of this country.

I will not detain the House longer. I feel that in this year's budget and in the provisions of the Finance Bill, the Hon. the Finance Member has dealt as fairly and as equitably with all sections of the community as he can, and I feel too that he has made provision for the future development of the country and as that development is to be in the hands of a popular and representative Government—whether an interim Government or a permanent Government—I do feel that this years' Bill merits the full support of this House. (*Applause.*)

THE HON. MR. V. V. KALIKAR (Central Provinces: General): I am not prepared to say that the budget estimates will make a rich man richer and the poor man poorer. I am personally of the opinion that the budget estimates contain many sound proposals in the interest of the rich man as well as of the poor man and especially, Sir, the modifications that have been made in the other House in the duties on kerosine, matches, post card and betelnut. I think that the budget has given much relief to the poor in these four things. I want to remove the impression about the betelnut being called a luxury of the poor. I am an agriculturist and I spend about 8 months in a year with my tenants in my village. I should like to bring to the notice of this House, that betelnut has now become within the last 20 years a necessity of life to the rural population and I would therefore have appreciated the efforts of the Government if they had abolished the tax on betelnut altogether.

Sir, there are proposals for establishing a National Investment Board and an Industrial Finance Corporation in the budget. I am not going to say anything on the merits of those proposals, but I want to suggest to the Government that those organisations should be set up after the new Government comes into power. The present Government, irresponsible as it is admittedly, should not take upon themselves the responsibility of setting up these organisations but should leave this matter to the new Government.

Sir, I should like just to say a word—as I am afraid I may be misunderstood or my friends may say that I have not correctly appreciated the position—so far as the duty on gold is concerned. As a layman I am putting forward my views in this matter before the House. The duty of Rs. 25 fixed on a tola of gold will not in any way help the agriculturist or the rural population. I may agree with the Finance Department of the Government of India that their object in fixing his duty may be very laudable, that is to bring the prices in India on a par with international prices, but the immediate result of it would be that you would be depriving the poor and especially the rural population of the only means of investment open to them. I know that one of your objects may be or is that you want the agriculturist population to invest their money in banks, in cash certificates and shares and all those things, but your past record so far as the educating of the agriculturists and the poor masses in India is concerded is not bright. If I may soy, so, yot past

record is dark. If you have not been able after nearly over 150 years of rule in India to increase literacy of even the urban population which, I think it is between 12 and 13 per cent, you have not been at all successful in increasing the literacyof the rural population to the extent of 2 per cent. even, and this method of yours will deprive that particular population of investing its money which that population needs for the rainy day. You cannot change by a magic wand the habits and customs of the rural population. They have to be educated and it is after they have received education that they will be able to realise the importance of your measure. I, therefore, submit, Sir, that as a lay man knowing the needs of the rural population I cannot support this measure of the Government.

Sir, much has been said about the abolition of the E. P. T. I admit that I am a layman in this matter but I found a wrangling going on between business men themselves that the action taken by the Government was not wise and that in their view the tax ought not to have been abolished but reduced.

THE HON. THE PRESIDENT: Is a business man not a black market business man ?

THE HON. MR. V. V. KALIKAR: There are all sorts of business men, Sir Some of them are black marketeers and some of them are honest business men.

THE HON. PANDIT HIRDAY NATH KUNZRU: Do you know of any business man who does not go to the black market ?

THE HON. MR. V. V. KALIKAR: Well, my own personal view is that if an industry is over-taxed that industry will not get incentive to produce more goods. I hold the view that even at a sacrifice the Indians should consume Swadeshi goods and I think that if the industry gets some relief the industry will get more incentive to produce more goods and if the money goes it will go to the coffers of the Indians and not to the coffers of the foreigners. From that point of view, I submit that the action taken by the Government in abolishing this tax will give some incentive to industry to prosper in the future. Well, Sir, my Hon. friend Pandit Kunzru has said much about the defence expenditure and I endorse every word of it about the expenditure incurred by the Indian tax-payer over the Public Relations Directorate and the *Fouji Akhbar* and the Fouji Dilkhush Sabha and other activities. I do not think that the morale of our soldiers will in any way be impaired if this Dilkhush Sabha is abolished. I find that 245 crores of rupees are going to be spent over defence in 1946-47. In the year 1942, I think we spent about Rs. 215 crores. The Indian tax-payer has every right to ask the Government, whether it is a responsible Government or an irresponsible Government, to cut down expenditure which is unnecessary. I am not one of those who think that there ought to be no defence services in India. I personally think that we must have a first class army, a first class navy, and a first class air force. If for equipping those services we have not got resources, I shall go to the extent of suggesting to the Government that our sterling assets in England should be used for this purpose. But I will certainly object to a pie being spent which is not necessary, for the maintenance of our services. Therefore, I suggest to the Government that the proposals made by my Hon. friend Pandit Kunzru about cutting down the expenditure on those two departments of the Military Branch should be taken seriously into consideration and the expenditure should be reduced to that extent.

Sir, I now wish to say a word about the cloth famine existing in this country. Day before yesterday I read in the papers that Mr. Thackersey, Chairman of the Textile Control Board, said that the mills in India produced 4,687 million yards of cloth and 1,625 million pounds of yarn in 1945, as compared with 4,811 million yards of cloth and 1,623 million pounds of yarn in 1944. I myself do not know the reason why the production has gone down. The position in the country is that not only are we not getting the type of cloth we want, but even the coarse cloth that is used by

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the poor masses is not available in sufficient quantities. I think both the Government and the mills should take steps to increase the production and relieve the poor people from this trouble.

THE HON. THE PRESIDENT : Increase production—in what way ?

THE HON. MR. V. V. KALIKAR : They should try to install new machinery as early as possible if the old machinery does not work properly and produce the quantity required.

THE HON. THE PRESIDENT : Have we not heard of cloth being exported in large quantities ?

THE HON. MR. V. V. KALIKAR. I am coming to that. The steps that I want the Government to take about the export of cloth is a different matter. I want to impress upon the millowners that they should put their house in order.

THE HON. THE PRESIDENT : The Bombay millowners especially.

THE HON. MR. V. V. KALIKAR : Yes. They should put their house in order and increase production. At the same time, I would suggest to the Government that, if the people of India do not get the bare necessities in the matter of cloth, they should impose an embargo on the export of cloth. I understand that about 600 million yards a year were absorbed by the military, but now their demand has gone down to 400 million yards ; and I understand that about the same quantity of cloth is being exported. I do not know why cloth is being exported in such large quantities when there is cloth famine in India itself and Government knows about it. So long as they do not hand over power to the new Government, it is their duty to maintain peace, tranquillity and order in the country. Just now we are being threatened with famine so far as food is concerned. I hope the mill industry as well as the Government will try their utmost to avert at least the cloth famine.

Now I want to address myself to the present political situation and I will finish within two minutes' time. The attitude of this party has already been explained by the leader of my party. We want that the eminent persons who are here should take quick decisions in the matter of handing over power to India now. I would suggest to Britain that she should not wait for a third world war before doing this. We have waited and waited for a very long time, and I think it is now time for Britain to take a quick decision and to hand over power immediately to Indians. After all, if you do not hand over power to India, India will be a burden to you. If you want really to maintain friendly relations with India, if you want that India should be one of the independent nations enjoying equal power with you, and if you think you are really serious in your pronouncements, then certainly I submit that the time has come when you must take quick decisions, in a very short time. The whole atmosphere in the country is electrified with a keen desire to get independence. I submit, Sir, that if they miss this opportunity, they will have to face the music and it will be very, very difficult for them to control the outburst of violence and other things. I warn them that no impediment whatever of any kind, created by this Party or that Party, should come in their way of taking a quick decision to hand over power to Indians.

*THE HON. SAIYED MOHAMED PADSHAH SAHIB BAHADUR (Madras: Muhammadan) : Sir, I join my friends who have expressed appreciation of some of the pleasing features in the Finance Bill as has been presented. As has been observed by some of my Hon. friends, the circumstances in which the Bill now comes before the House are quite different from those under which we have been used to get it in this House during recent years. Sir, it is really pleasing to note that the Bill has not come now in a certified form, that it will still be able for this House to effect modifications, to try and persuade the members of the Treasury Bench to accept any suggestions as may appear to us to be very necessary and about the reasonableness of which we may be able to convince them. That is one of the very pleasing features of

*Not corrected by the Hon. Member.

the Bill which has been absent all these recent years. I am particularly thankful to the Government for their acceptance of some of the reductions that were recommended in another place. I am glad, Sir, that the Government have been able to see their way to grant relief to the general public in the matter of duty on matches, kerosene, betelnuts, and postcards. In this connection I would endorse the opinion of some of my Hon. friends who have preceded me about the desirability of doing away altogether with the duty on betelnuts. As has been expressed by my Hon. friend Mr. Kalikar, betelnut is no longer a luxury in our country. I am of opinion, Sir, that it has never been a luxury in our country. It has always been considered to be as much a necessity of life as any foodstuff. As you know, Sir, the only thing that the poor man enjoys is to satisfy his craving for chewing betelnut. I feel, Sir, that it is really hitting the poor in our country very hard if we put any difficulty in the way of his having this available to him. The only thing that a poor family offers to his guests or visitors is betelnut. I feel, therefore, that the Government should at least try and see that this duty is abolished, when they present the Budget next year. I hope it will be possible for this modification to be effected by the popular representatives. I hope it will be possible to have popular Ministers in the House so that this demand of the people may be easily accepted. Sir, I am glad also for the encouragement which the Finance Bill has shown to the industries of the country in respect of raw materials. These are some of the very good features of the Bill. But, Sir, I feel, in spite of all that has been said by my Hon. friend in support of the abolition of the E. P. T. that the Government were not really justified in abolishing it. It is true that the war is now over. But the conditions which obtained during the war are still continuing. There has been no alleviation in the conditions that prevailed in the country. Those people who have been making huge profits are still continuing to make some of those profits though in a reduced form. Government would therefore have been justified if in spite of altogether abolishing this tax, they had reduced it somewhat. I therefore still think that Government were not justified in abolishing this tax altogether.

The things that the people of the country are labouring under are the shortage of food and cloth. So far as shortage of cloth is concerned, much has been said about it by my Hon. friend Mr. Kalikar who has just preceded me. He is perfectly right in saying that every thing possible should be done to see that the cloth needed for the requirements of the people is made available and it is really very disappointing to find that in spite of all efforts that have been made recently to improve the industry in the country, the production of cloth has gone down. One of the main reasons for this may be that the machinery now in use has become very old and is not turning out as much quantity as it ought to. Therefore it is necessary that everything possible should be done to see that new machinery is brought into the land as quickly as possible so that the output of cloth in the country improves considerably and with the least possible delay. In this connection it is really disappointing to find that there is still a very large black market obtaining in the country as there is also a very wide black market in connection with foodstuffs. We find, Sir, that in respect of food also, there is this difficulty. The stuff that we get on our ration cards does not stand even a moment's comparison with what one gets by resort to the black market. That is a thing within the knowledge of everyone in this House and I need not dilate upon it at length. I cannot pass over this without making one observation about the shortage of food in our country. Recently, Sir, there have been debates in connection with the food situation and also on the Resolution which my Hon. friend Mr. Kalikar moved in regard to the need for subsidising agriculture. I would stress only one point in this connection. It is very necessary that we should do everything possible to try and grow more food, and see that it is easily grown and it is cultivated and harvested in a short time. But one thing that is very necessary is to try and alleviate the sufferings and hardships of the people here and see that as much food is imported into this country as possible. Growing more food here will take some time; but the danger which is facing us, the situation which is confronting the country, is such that it does not brook any delay. It is therefore necessary that every possible effort should be made to have as much food from abroad as possible. We have a sad experience in the past that even the quantity promised

[Saiyed Mohamed Padshah]

could not be sent over here for want of shipping space. We thought that more should have been promised, but even the quantity promised could not be shipped. I understand even now that the shipping difficulty continues, that much of the rice which is intended for India is lying idle in Siam. It has not been found possible to have that shipped to India. Therefore my submission to the Government is that they should try and see that the shipping position is made easier. The other day when the Hon. the Food Member was speaking on this subject, I wanted to know from him if the shipping position was easier to-day so that there was a prospect of our bringing into this country all that might be promised to us by the Combined Food Board. However his reply was quite non-committal. He said he was aware of the situation and that they were trying to dot heir best. The question is whether that best is enough to ensure to us the bringing into this country of all that has been promised to us already and of all that we are going to get from abroad.

Another point in connection with the shipping position is that if the shipping position is made easier, it will be possible for you to send out of this country all the prisoners of war and military personnel who want to go out of this country and thereby release a good quantity of food which would otherwise be required for them here so long as they remain in this country. I would, with all the emphasis that I can command, ask the Government to see that the shipping position is improved and see that all the food that is promised to us by the Combined Food Board is brought to this country as quickly as possible and that no portion of it, however small, is left on account of difficulty in transport.

Just one word, Sir, about the political situation. I join with my friends who have extended their welcome to the Cabinet Mission here. No one in this country will be more pleased and happy than the Muslims and the Muslim League if the mission for which our esteemed visitors have come from Britain will prove ultimately successful. They have our sincerest good wishes for success in their efforts. We should not for one moment be led to think that it will be possible for anybody who comes from outside to really do something which will go to resolve the deadlock which prevails in the country at present. My own feeling is that more depends upon the attitude of the leaders of this country. One thing that will have to be kept in view is not that there should be a quick and instant solution of the problem. But what has got to be borne in mind and which I feel is the most important part of the task is to see that the solution which is found is one which is acceptable to all the major elements in the national life of this country. It is not that anything should be done in a hurry. There is nothing wrong if time is spent in understanding the pros and cons of the situation, in trying to see that the solution, if one is found for this, is one which will really bring peace and tranquillity in the land, which will really bring satisfaction to all the major elements in the country.

The other day, Sir, when an appeal was made to the Congress to co-operate in the matter of fighting the famine which is now threatening our land, even there the Congress refused to see its way to offer its co-operation and insisted that before their co-operation is given they must be assured of the fact that the Central Government would be reconstituted and popular representatives would be placed in the present executive. It is all very well that we should try and expedite this kind of change at the Centre. We are behind no other party in this country in being ready to do whatever we can to bring about this welcome change, this much cherished change and the fulfilment of our desire, but, Sir, in doing so we should not lose sight of many vital and important things that we may have to do. There is no connection, Sir, whatever between the need to bring about the much-needed relief to the starving, suffering humanity and our anxiety, our desire, to touch up everything and to strike a bargain out of the difficulties even of our suffering brethren in the land. I say, Sir, that it is really disappointing that a prominent organisation, like the Congress, should have shown this kind of indifference to the sufferings of the starving millions in this land. It is my earnest appeal, my humble appeal, to that organisation that they should try and see things in their true perspective, that they should not go on emphasizing about the imperative necessity to have a nominal unity in this country. They should not always harp upon an undivided India. After all, what is an undivided India. India

divided or undivided nominally is a thing which hardly matters, What really matters is whether there is really a union of hearts ; whether there is a real harmony between all the major elements in the country. Unless this is achieved I feel, Sir, that it is simply idle to harp upon a unity of our country. If by divided India we can really bring about harmony and wholehearted and cordial co-operation between the Mussalmans and the Hindus they will be united in the real sense of the word, and that will be, Sir, the ideal for which you will certainly do yourself justice to try and bring about achievement. Therefore, Sir, I submit that when there in no doubt as to what the Mussalmans consider really essential for their very existence—

THE HON. THE PRESIDENT : Please bring your remarks to a close.

THE HON. SAIYED MOHAMED PADSHAH SAHIB BAHADUR—when all doubts about this have been removed by the way in which the Muslim electorate has voted, it is certainly not wise for any man or organisation in this country to try to stand in the way of the Muslims fulfilling their ambition. I, therefore, make an earnest appeal to my Hindu brethren not to stand in the way of this achievement on the part of the Mussalmans in this respect any longer and to try to bring about a solution of the present stalemate in the country by trying to do the right thing at the right moment.

THE HON. SIR MAHOMED USMAN (Leader of the House) : Mr. President, now I will refer to what is uppermost in everybody's mind and to which reference has been made in the House during the debate. The Cabinet Mission is here which includes the Secretary of State for India himself, which in itself is a proof of the sincerity of His Majesty's Government's intentions towards India. As explained by the Secretary of State, " the issue of freedom and self determination is settled in principle. We have now to work out the means by which Indians can themselves decide the form of the new institutions with the minimum of disturbance and the maximum of speed."

The recent elections have shown beyond any shadow of doubt that the Congress and the Muslim League as representing the two great communities are the only two political parties that count. The future of the country lies in the hands of the two great leaders of the people—Mr. Gandhi and Mr. Jinnah. For the future prosperity and the peace of the country it is essential that any solution of the problems has the blessing of both these great men. His Majesty's Government is committed to grant freedom to the country. It is equally committed to protect the Muslims and the minorities. In August 1940 Lord Linlithgow, the then Viceroy, on behalf of His Majesty's Government solemnly assured the Muslims and the minorities that His Majesty's Government could not be a party to their coercion by any Government whose authority was directly denied by important elements in India's national life. This pledge has also to be redeemed.

The structure of the new constitution, whatever it may be, has to be built on the willing partnership at least of the two great communities—Hindus and Muslims and that partnership can be in a single union if possible, or in two separate unions, if necessary. Even after separation these two great communities will have to work in harmony if chaos is to be avoided. Communal harmony, therefore, is a vital necessity for a united or a divided India.

One of the Congress members in this House ridiculed the present Executive Council. We accepted office at a very critical period in the history of the world. We helped as Allies of the United Nations to defeat the mighty powers of Germany and Japan at a time when Congress was sabotaging the war effort. It will be our proud privilege to pass to our successors a solvent and peaceful India. We are still living in critical times. Cabinet Mission is here to help us but we have also to help the Cabinet Mission by trying to come to a common agreement between ourselves. The idea of bypassing the Muslim League, which one hears of so often, should be given up if the Mission is to succeed in its task. The sooner it is realised the better it will be for the country.

In conclusion I should like to point out that the presence of the Cabinet Mission here is a positive proof of the willingness of Great Britain to part with power. When the present passions die and the people start reflecting calmly they will realise the great services rendered by Great Britain to India.

THE HON. MR. M. THIRUMALA ROW: On a point of information. Is it the policy of the Government of India which the Leader of the House has enunciated in his statement ?

THE HON. THE PRESIDENT: He has his say. He is entitled to say anything he likes. Will you please sit down ? There is no question of your raising a point of order.

THE HON. MR. M. THIRUMALA ROW: I have not raised a point of order. It is only on a point of information that I want your assistance to understand the statement of the Leader of the House.

THE HON. THE PRESIDENT: You have already had your say. You are not now entitled to make a second speech. The Leader of the House like any other member is entitled to say anything that he likes.

THE HON. MR. M. THIRUMALA ROW: I want to know whether his statement represents the policy of the Government.

THE HON. PANDIT HIRDAY NATH KUNZRU: If I may intervene, Sir, the Leader of the House may or may not reply to the question that my friend is asking but I submit to you that he is perfectly in order in putting his question. We should like to know whether the Hon. Member who spoke last would answer that question or not.

THE HON. MR. G. S. MOTILAL: Sir, may I request you to inquire of the Leader of the House whether he is prepared to answer the question put to him by my Hon. friend Mr. Thirumala Row and give the information asked for ?

THE HON. SIR MAHOMED USMAN: What is the question, please ?

THE HON. MR. HOSSAIN IMAM: The question is: Is it the expression of opinion of the Government of India, or the Hon. the Leader's personal opinion ?

THE HON. SIR MAHOMED USMAN: As a member of this House I have every right to express my opinion and to say what I feel on this matter, and that is what I have done.

THE HON. PANDIT HIRDAY NATH KUNZRU: I take it, then, that what he said was his own personal opinion ?

THE HON. SIR MAHOMED USMAN: The Hon. Member may draw his own inference.

THE HON. PANDIT HIRDAY NATH KUNZRU: Surely the Hon. Member can clarify this small point ?

THE HON. SIR MAHOMED USMAN: What is the small point ? I do not understand what that "small point" is.

THE HON. PANDIT HIRDAY NATH KUNZRU: Has the Hon. Member spoken on behalf of himself, or as a member of the Government ? He has every right to express his own views; I take no objection to that. But if he has done it, he can say so quite clearly.

THE HON. SIR MAHOMED USMAN: As I have already said, I have spoken as a member of the Council of State.

THE HON. MR. SURPUT SINGH (West Bengal: Non-Muhammadan): Sir, I must thank the Hon. the Finance Member for his small mercies in respect of duties on post-cards, kerosene, matches, betelnuts and films thus foregoing about 5 crores or so. It would undoubtedly have been a right good gesture if he could have altogether scrapped, or appreciably reduced the salt duty.

I cannot acclaim his budget as being satisfactory inasmuch as it has been framed on a somewhat war basis, although done in and for peace conditions. The masses have some little reliefs, but the middle class has got none. A Rs. 2,000 minimum, with no allowances for self, family and dependants, as in England, in the existing high prices of necessities is something cruel and heartless. In his other budgetary proposals the old outworn bureaucratic outlook is more evident than the up-to-date just and equitable method of a true Britisher as the Hon. the Finance Member is. Any method of taxation which fails to make allowance for the middle class gentry for the education of children and health of the family in such a country as ours is deeply to be deplored.

Then, Sir, the agricultural policy, the planning and development policy, the commercial policy and the food policy, for all of which heavy amounts, crores over crores, are appropriated, are all more or less advertisements. Their programmes are all long-termed——their culmination being still in the offing. But what we need most is amelioration forthwith of the present distressing situation all round. The Imperial Council of Agricultural Research, on which heavy amounts of public money are being spent for the last 25 years, has practically given no adequate return in the matter of improving the conditions of agriculture in the country. Equally the planning and development departments, which are appropriating large amounts, have been giving no faithful account. The commercial policy has come to be viewed with suspicion because of its manifest political implications. Of the food policy, no words can sufficiently describe the dark and dismal conditions to which it is drifting.

Sir, while the Government in Britain are going ahead with measures to assure freedom from want and to insure health to every man, woman and child by social security plans, our Government, despite heavy and numerous direct and indirect taxations, have only been talking yet in terms of commissions, conferences and committees and importing experts and specialists from all corners of the globe. I humbly ask the Hon. the Finance Member as to what steps he has taken in his budgetary proposals for the man, woman and child for their health, sickness, unemployment and old age.

Sir, I will not enter elaborately into the history of currency jugglery to which our Government became a willing party of the Home Government and made us lose 400 crores which accrued to us by way of trade balance during the First World War. Then, when the worldwide depression came, India had to sell gold during a decade from 1930 to 1940 to the extent of 11,65,69,144 tolas valued at Rs. 3,82,52,38,069, the average price at which Indian gold was sold being Rs. 32-12-0 per tola. During the last three years India bought about 2 crore tolas of gold, about one-fifth of what we had sold in distress. But we had to pay Rs. 75 per tola when the official rate mentioned was Rs. 42 to Rs. 43 per tola. Thus we lost both ways. We sold our gold in days of difficulty at a low price, while in our prosperous days we have to buy at an unnaturally highprice, and, to add to this, there is the import duty of Rs. 25 per tola in this budget.

Then, Sir, to quote another instance of such currency manipulation, the Government of India lent to Britain by currency manipulation Rs. 1,677 crores at a nominal interest of less than one per cent. This 1,677 crores is made up of Rs. 1,135 crores sterling securities in the Issue Department and Rs. 542 crores held as balances abroad. Another example of the Government of India's financial manoeuvring. They borrow money from the public in India at 3 per cent. and lend it at less than 1 per cent. Is it not a good bargain and good business losing so much annually ? No surprise, therefor, that the people have lost all confidence in the Government's financial policy.

Then, Sir, about the utter disregard of the Government of India in the matter of the increase of the country's currency. In September 1939 the currency notes in circulation were to the value of Rs. 1,82,13,17,000. In the beginning of January 1946 the total of currency notes in circulation rose to Rs. 12,18,34,58,000. Thus there has been an increase of about 600 per cent. in note circulation in the country during the six fateful years of the war.

Then, Sir, the Government of India, in collusion with the British Government has been the parent of a gross inflation in this country. This inflation has been the result of an unscrupulous use of an obviously innocent provision of the Reserve Bank Act. But now, although the war is over, this provision is being exploited as an instrument for further inflation by producing cartloads of currency notes ; for which a well-known Indian economist has called the Reserve Bank of India " the Imperial Pawnshop ".

Sir, while the British Government being a national Government accorded altogether a different treatment to its own people in spite of there being a war which was fought to the last ditch, the British Government obtained all the money needed for the War through taxation and borrowing and not by an inordinate expansion of the currency. The latest coup of the Government of India was demonstrated in their demonetisation scheme which has only aggravated the situation by shaking the

[Mr. Surput Singh]

people's confidence in the currency and financial promises of the Government dislocating business, increasing the cost of living and hitting all and sundry. The results of all the currency manipulation and jugglery are moving like a Greek tragedy to a pre-appointed catastrophe.

Sir, the dearness allowance and the concession rates which officers of the Government have been enjoying have been costing us over 20 crores by way of subsidy. Now that war conditions are over and peace conditions have set in, it ill suits the Government to go on with those concessions to all officers who get a salary of Rs. 1,000 or more. I would suggest therefore, that the money which is proposed to be spent, on that head may be diverted towards the betterment of the pay and allowances of the menial staff in every Department, because signs are evident that unless the Government makes due provision that way, strikes and similar tumults will be rife before long, as the whole country is seething with discontent and dissatisfaction in no small degree. Sir, from all parts of the country there has come up a cry that the reliefs which the Hon. the Finance Member has proposed in the future income-tax assessments are more or less illusory. Some authorities have quoted figures in support of this statement. I have myself taken great pains to study both the viewpoints, but I am not satisfied either way. I would, therefore, ask the Hon. the Finance Member to put before us a lucid exposition of the financial loss on the proposed income-tax concessions allowed as well as the gain which the Government will have by the new proposals on taxation of incomes.

Sir, although there are so many Departments and so many Secretaries, Assistant Secretaries and Additional Secretaries, there is a great dearth of reliable statistics all round producing such a great blot on the administration. Again, the industrial picture afforded by the Government is fragmentary and incomplete. According to the statement on Industrial policy of 22nd April 1945, there was a talk of the Central Government taking over 20 key industries from Provincial control under their own direct supervision with a view to encourage and promote rapid industrialization of the country. But when the Bombay Provincial Government wanted to foster an Automobile Industry, it was the Central Government that declined to grant facilities and actually killed the project. Next, the Indian Company, which started an Aeroplane Factory with foreign technical aid for emergent war purposes, was actually denied the patronage at the end of the war and the factory has now been converted into a jobbing shop. Then, Sir, Government have suddenly awakened to the necessity of sending abroad a large number of students for training in technical and professional subjects but my impression is from past experience that all such technical and professional training and experience will go in vain when those students return home. Such training and experience could have been best arranged for in the country itself by the starting of a large number of technical and vocational institutions with importation of acknowledged foreign experts and specialists. Then, Sir, we have no definite knowledge of what the Government of India's mineral policy is. What little we get in that way is from Dr. Cyril Fox, Director of the Geological Survey of India, who said :

> "The work of Geologist of India was mainly to promote the export of raw materials rather than encourage Industrial development in this country."

Sir, I fully realise all our talks here fall on the deaf ears of an irresponsible and unresponsive Government. I will just give an instance. In reply to a question put by me yesterday whether there really happened some casualties due to people sitting on the roofs of railway carriages by reason of over-crowding on a particular bridge——

THE HON. THE PRESIDENT : Order, order. That has nothing to do with the Finance Bill.

THE HON. MR. SURPUT SINGH : I am just giving an illustration.

THE HON. THE PRESIDENT : We do not want illustrations at this stage.

THE HON. MR. SURPUT SINGH : Sir, such is the attitude of the Central Government officials to this side of the House regarding matters which concern our life and death. I therefore oppose the consideration of the Finance Bill.

THE HON. THE PRESIDENT : The Council will now adjourn till 2-30 in the afternoon. When we meet again after Lunch, Khan Bahadur Keramat Ali will address the House.

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 Hon. the President in the Chair.

THE HON. KHAN BAHADUR KERAMAT ALI (Assam : Muhammadan) : Mr. President, I may tell at the outset that I do not believe in the Finance Bill being thrown out altogether. Under the present constitution, no useful purpose, will be served by throwing out the Finance Bill, because there is provision in the Government of India Act for certification. In my humble opinion it will be prudent to consider the Finance Bill on its merits. If it so happens that after due consideration if the members make certain suggestions and the Finance Member is so obdurate as not to listen to any of these suggestions, it is then alone that the question of rejecting the Finance Bill comes. But when we find that the Hon. the Finance Member is accommodating and yields to suggestions made by the members, we should surely give our due consideration to the Finance Bill and the question of rejecting it altogether does not arise. It is under such considerations that the Muslim League this time agreed to consider the Finance Bill and not to vote with the Congress which thought it fit to reject it altogether. As a result we now find that the poor people for whom cries were raised in both the Houses have got relief in taxation to the extent of about 5 crores.

Now that the Bill has come in a modified form from the Assembly giving at least some relief to the poor, I have not much to say. I would, however, place three matters before the Hon. the Finance Secretary and I hope he will kindly give due consideration to what I say.

First is that in the Budget relief has been provided to the capitalists as well as to the poor. But the middle class people have not been taken into consideration. I have gone through the taxation proposals and I find that no relief worth the name has been provided for the middle class people.

THE HON. MR. G. S MOTILAL : Income-tax has been raised.

THE HON. KHAN BAHADUR KERAMAT ALI : In fact, income-tax has been raised. But the House should remember that this war brought the greatest horrors to the middle class people. Nobody suffered more than the middle class people and therefore perhaps the case of the middle class people should have also been considered favourably by the Finance Department. I urge upon the Finance Department to see whether the proposals for increased income-tax, as far as the middle class is concerned, cannot be withdrawn.

My next point is about betelnuts. Both in the Assembly as well as in this House it was pointed out that betelnuts are a simple innocent luxury for the poor villagers. It has been suggested here today by Mr. Kalikar, who says that he is himself an agriculturist and a very large number of poor people work under him, that betelnuts have nowadays become a necessity. Therefore I would surely have liked if the duty had been abolished altogether. If, however, the Hon. the Finance Secretary thinks that the duty cannot be abolished altogether, I have one thing to place before him. I hope he will see that this tax is realised by a uniform procedure in all the Provinces in India. Betelnuts are not consumed in the same way in Assam as they are in the other provinces. Betelnuts are generally dried, the husks are taken out and the kernel is placed in the market. That is the way in which they are brought in to the market in all other provinces. But in Assam betelnuts are taken raw. After betelnuts are plucked from the trees, the husks are taken out and the betelnuts are taken in their raw condition. In realising the tax, Sir, there has been no difference made between betelnuts as consumed in Assam and betelnuts as consumed in the other provinces. According to the present conditions 100 dried nuts weigh about 1·5 lbs., whereas 100 raw betelnuts wigh about 3 lbs. Now, if the tax is to be realised on weighment, Assam pays three times more than what the other provinces pay. I urge upon the Government of India to see that there is uniformity in the realisation of the tax. I ask the Hon. the Finance Secretary to make enquiries of the Government of Assam whether there is this difference between Assam and the other provinces in the realisation of tax as far as betelnuts are concerned. He will find that the Assam people are paying more tax on the same quantity than what the other provinces are paying. This anomaly should be removed and the sooner it is done the better. Then my third point is, Sir, about the subvention that has been

[Khan Bahadur Keramat Ali]

Secretary perhaps I will do better by referring him to the statement that was made by the Hon. the Finance Member of the Province of Assam while placing his Budget before the Assembly on the 12th of March last. Sir, he said :—

"Sir, while presenting this Budget estimate I have to mention at the outset the financial difficulties which confronted the Finance Minister after the introduction of Provincial Autonomy in 1937. I mean Sir Muhammad Saadulla who was the Finance Minister at that time having had parliamentary experience of more than a decade had to complain of the difficulties he found in balancing the budget. He mentioned the financial injustice meted out by Sir Otto Niemeyer to a poor province like Assam without any elastic sources of revenue. Conscious as he was of the growing needs of the Province as a representative of the people he could not let the occasion of presenting the Budget pass without recording an emphatic protest against the meagre doles of subvention from the Central Government. It is amazing that Assam which produces tea, coal, kerosene and petroleum oil etc., and contributes to the Central Government in excise duties more than 5 crores of rupees, which is much more than the total receipt of this Province, gets a subvention of a trifling sum of Rs. 30 lakhs only annually ".

He also said :—

"With Rs. 77 lakhs charged on the provincial revenues, a sum of Rs. 27 lakhs for the Excluded Area, over which we have no control (and some more as supplementary demands charged on the revenues, which will be presented in the course of this session of the Assembly) not being subject to the vote of the Legislature under section 79 of the Government of India Act, with our claims for a share of excise duty on petrol and kerosene going unheeded and with a mere dole of Rs. 30 lakhs under Sir Otto Niemeyer's Award, we are to balance the budget with the limited sources at our disposal ".

Sir, this subject I have dealt with also in my Budget speech. I only request the Hon. the Finance Secretary to place the case of Assam before the authority concerned the stepmotherly way in which Assam was treated all these long years.

Sir, Assam's position in the frontier entails a lot of extra expenditure. Out of 12 districts and three frontier tracts four are hill districts from which hardly any revenue comes as no land revenue is paid by the hill people. Of the other 8 plain districts two have been enjoying permanent settlement like Bengal. The revenue income from these two districts is so small that even the cost of the district administration cannot be met out of it. Assam is a vast country comprising about 72,000 sq. miles and the funds available for its administration from the Province itself are too poor to maintain the Province and the result is, Sir, that in Assam there is no High Court, no University, no Medical or Agricultural College or a hospital of the modern type. It is impossible for the Province to take to these things without substantial aid from the Government of India. Sir, unless the subvention is increased, Assam will go without the amenities of a civilised Government. I therefore hope that this question will be seriously considered by the Finance Department.

Sir, yesterday, although it was the Finance Bill which was being discussed, much heat was seen on the question of Pakistan. Sir, I submit Mussalmans are not responsible for claiming Pakistan. There was a time when the Mussalmans thought that they should remain united with the Hindus and that they should all join the Congress. There was a time when Mr. Jinnah, the late Maulana Muhammad Ali, Shaukat Ali and hundreds of Muhammadan leaders were in the Congress. They tried their level best to place the case of the Mussalmans before the Congress and get relief but when they found that they were not even heard then and then alone, Sir they came out and started the Muslim League. Even after starting their own organisation they still tried to see if they could come to some compromise with the Congress. Even then they failed. Therefore, I submit Sir, that Pakistan is a cry of despair as far as the Mussalmans are concerned. The Congress had the opportunity to take the Mussalmans into their hands but they did not utilize that opportunity in the way that they should have done.

Sir, while talking on Pakistan Mr. Row appealed to the Muslim League yesterday to consider the problem dispassionately and confront the Cabinet Mission with an agreed solution. I quite agree with him, Sir. We must come to an agreed solution before we approach the Cabinet Mission. "Agreed" is the word, Sir, which I hope Congress will mark and remember. Unless these two great communities agree there is no hope of India getting freedom. Even if the Cabinet Mission thrusts freedom upon the Hindus or the Mussalmans, neglecting either the Hindus or the Mussalmans, that freedom will never be permanent. They will be simply sowing the seeds of disturbance and revolt. So, I appeal to the Congress, as Mr. Row did

yesterday by appealing to the Muslim League, to come to some agreed solution with the Muslim League and then approach the Cabinet Mission for freedom and if that is done India will be happy permanently.

THE HON. MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan) : Mr. President, at the moment the fate of the peoples of India is in the melting pot. Epoch-making decisions are about to be taken. Is it not natural that in such circumstances the political should have had precedence over the financial considerations in discussing the Finance Bill and all that it connotes. Some of our colleagues have expressed high hopes from the efforts of the Cabinet Mission, others have doubts as to their *bona fides* even. I, Sir, do not profess to be a prophet. Therefore I cannot say what their intentions are, but we can only go by what they have so far indicated. They have indicated a desire to establish in India a government of the people. But here comes the fundamental question : to whom to give charge of the Government. We have all heard that good government is no substitute for self-government. The Government of Great Britain or the present Government of India may have done wrong, or may be right ; but that is beside the point. But the desire for self-rule cannot be quenched by the institution of this or that government. The *sine qua non* of self-government is the consent of the people. Only yesterday I saw in the papers George Bernard Shaw's opinion, expressed in his own inimitable way ; " that self-government is not a school-child's prize for good conduct. It is a human passion that demands unconditional satisfaction ". The consent of the people is the essential thing ; and that cannot be achieved by arguments. It is only after the conviction is born in your heart that " this is my government " that you feel that you have attained self-government. And it is when the peoples of India realise and feel that they have got a government which is their own government, and not a government superimposed, that they will feel happy, contented and able to enjoy the fruits of their work. I, Sir, have an intense desire for liberty. I do not wish to stand in the way of the liberty of any of the peoples of India. But, similarly, I do not like to be subjected to any kind of imperialism—whether it be the imperialism of Great Britain or the imperialism of my brother Hindus.

Sir, in this connection I should like to mention a little bit of historical fact. The Congress, when it was formed long, long, ago, in 1885, 60 years ago now, was called the National Congress. For some time, even though very few Muslims were in it, it carried on its work on the lines of a national organisation. But the moment it started getting rights vested interests crept in ; it gradually, somewhat imperceptibly but nevertheless surely, began to go to the side which had the majority. It is but natural ; I do not blame them. It is but natural that with a democratic organisation the majority should have its way. In that connection, Mr. Gandhi had done two things. Firstly, he had made the Congress from an organisation of the classes into an organisation of the masses ; and secondly, in order to attract the masses he had to have something which would act as a sort of magnet. The magnet he fashioned was : Go back to the old days, to Vedic times. From then onwards the bifurcation started. Hindus went back to their old glories ; and naturally, Muslims went back to their old glories. We had, as the result of long sojourn in India, tried to evolve something of a common culture, a common outlook, and a common way of thinking. But the moment there was a renaissance movement—going back to your old language, your old ways, even to the extent of making a change in appearance, in fact everything that had been acquired between the old era and the new era—you created the circumstances which brought about the separation of the two elements which formed the life of India. This was but natural. No one would have complained about it. But we have one objection, a serious complaint, that the Congress does not recognise the changed circumstances. It still carries the name " National Congress " and therefore claims to be the only party which can be the successors of the power which is moving out.

Sir, eleven years ago, the Qaid-e-Azam raised the cry that there were three parties in India, and not only two, as was being averred by Congressmen, who were claiming that there were only two parties, the Government and the Congress. Mr. Jinnah said there was a third party also, the Muslims. Even his friends were

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rather doubtful whether that cry in the wilderness would ever be heard. But, Mr. President, the Congress has been very kind to us every time that we have been in difficulty ; most unintentionally, they have always come to our rescue though their actions which have been so impolitic that instead of advancing the cause of the Congress they have always advanced the cause of those who were in revolt I will deal with that a little later.

I was saying that the advent of the Congress in 1937 was a godsend to us. The Hindu Congress got so intoxicated with the newly acquired power that in every province where the Congress was ruling there were atrocities out of number. There were cries from us for safeguards—not for Pakistan. We wanted that something should be done to make our position safe, our hearth and home secure. But our demand was treated with contempt. It was not thought even worth while looking into, and the only reply which we got was that it was all the work of our imagination. But history is there. I ask the Government of India in the Home Department to examine facts and figures and give us a report as to the number of riots in which Muslims had been killed or robbed, during the two and a half years during which the Congress was in the saddle, and the number of such riots after that period when Congress was not in power. Mr. President, it pains me to come here and stand up and expose our differences, but we have to do it because of the fact that Congressmen do not realise that differences have come to that stage.

Sir, we started this rebellion all alone against the mighty Congress, but we are happy to find that others are joining us. Dr. Ambedkar and his group have now realised how they were duped at the time of the Poona Pact. What was given to them with one hand has been taken back with interest with the other hand. They got increased seats, but they got no control over those seats. The Scheduled Castes have no control over the seats. The majority of the population happens to be caste Hindus, with the result that they return candidates acceptable to the general electorate rather than candidates acceptable to the Scheduled Castes. As I have said, among the fellow rebels I have Dr. Ambedkar and his group, and the latest recruits to our camp are the brave Sikhs, who asserted their right to rebel against the Congress Nationalism and repudiate their (Congress) claim by contesting every Sikh seat in the Punjab and defeating the Congress by 22 to 8. I welcome them in our fold and I hope that we two will advance and get our desire of independent States in this sub-continent of India.

AN HON. MEMBER : They will never consent to Pakistan.

THE HON. MR. HOSSAIN IMAM : But my Hon. friend must have seen the papers. Sardar Gyani Kartar Singh has today said according to the papers that he is willing to join as an independent unit in the Federation of India, but if India is to be partitioned, he wants a separate Sikh State. But the Bengalee Hindu will never consent to anything. At the time of the Simla Conference, we were within a measurable distance of having a shadow of self-rule—I do not call it self-rule. What we were going to get was the shadow, but even a shadow indicates that there is a light, which is a proof positive that darkness is disappearing. At that time we were told that the Muslim League did not represent the Muslims. As at the time of the elections, only a few people were elected on the Muslim ticket and those who joined the Muslim League Party afterwards did so without a mandate from the people. The Congress received hundreds of telegrams, paid for by the bunia, dictated by the pandit and sent by the Department of Posts and Air, in which every one of the telegrams said, " We have complete confidence in Mr. Gandhi and Mr. Jinnah does not represent us ". Thousands of such telegrams were received. They were paraded before the Government and the claim was made that they must have a co-equal share with the Muslim League. It was said that out of the 5 Muslim seats, 2 should be given to the Muslim League, 2 to the Congress and 1 to those who have been so thoroughly defeated at the last elections, the unlamented Unionist Party. I shall deal with that later on. But this time the elections are finished and we have secured more than 86 per cent. of the seats in the whole of India. The Congress, if you exclude one province, the North West Frontier, about which I will tell the story afterwards, have not dared to put up any candidates in at least 6 provinces out of the 11. The results are here. There has been a clear mandate from the Hindus that they have complete trust in the Congress. They do not want anybody else to come and talk about

them. The only people who can talk about the Hindus are the Congress. We have never denied that right. We have always thrown this burden on them. We have said, " You are the representatives of the Hindus " but they have always said, " No. The Mahasabha is there ". Fortunately, the Mahasabha has been permanently eliminated from the political life of India. That goes to prove two things: firstly, that the Hindu masses realise the inevitableness of Pakistan. The Mahasabha was the strongest opponent of Pakistan and they have been eliminated. So far so good.

THE HON. RAI BAHADUR SRI NARAIN MAHTHA : Elimination of the Mahasabha is an indication of the coming times when all communal organisations shall go.

THE HON. MR. HOSSAIN IMAM : It has given birth for the first time to the Panthik Akali Party coming into the Legislature. I am afraid, Sir, that the wish is father to the thought. I hope that the Panthik Akalis will be of the greatest help to us.

THE HON. RAI BAHADUR SRI NARAIN MAHTHA : You have forgotten the Holy Warriors, the Communists.

THE HON. MR. HOSSAIN IMAM : I was going to say that there is a revolt in the Hindu fold, though a very small one. My Hon. friend has just reminded me that the Communists are coming in. But they are not from the Muslim constituencies and they are not against our demand of Pakistan. All those who have been returned have been returned from non-Muslim constituencies. Not a single Communist has come in from a Muslim constituency. Mr. President, I will not go into this.

I was saying, Sir, that the Congress has tried to disrupt everywhere. It ran candidates in the names of mushroom organisations, somewhere Muslim Majlis, somewhere Ahrars, and somewhere Kishak Proja Party, and everywhere money was given by the Congress—I make this charge deliberately.

THE HON. RAI BAHADUR SRI NARAIN MAHTHA : What is your source of information ?

THE HON. MR. HOSSAIN IMAM : Money was given by the Congress and accepted by the Quislings among the Muslims who are lauded to the skies by the Congress. When one man is elected he is lauded to the skies by the Congress. They had no courage to contest the Muslim seats except in two or three provinces, U. P., Bihar and one or two other places. In most of the places they had their benamidars. But even that is ended now. Let us agree that whatever has passed has passed. Let us realise where we stand. Is it possible for the Hindus or the Mussalmans to coerce the other ? It is an idle desire, a desire which will make the Congress, instead of being a worker for the achievement of self-government in India, an impediment in the way of self-government. I, Sir, am one of those who believe that in this world one lives to learn. The wise man never desires to repeat the mistakes which he may have committed once. I therefore appeal to my Congress friends, my Hindu friends, to forget what has happened in the past. Let us start a new chapter in accommodation instead of crying as the *enfant terrible* of the Congress, Pandit Jawaharlal Nehru, who has been shouting from the house tops that he was going to crush the Muslim League. He wanted direct contact with the Muslims ; he tried that once and failed miserably and this time he has again failed. The arrogant dictator said that the Muslim League was to be crushed.

THE HON. RAI BAHADUR SRI NARAIN MAHTHA : But not the Muslims. They had to be weaned away from the perverted policy of the League.

AN HON. MEMBER : All communal organisations.

THE HON. MR. HOSSAIN IMAM : But have you succeeded ?

AN HON. MEMBER : Oh, yes.

THE HON. MR. HOSSAIN IMAM : With the rebirth of the Panthik Akali Party. I was saying that every effort that human ingenuity can make was made to eliminate the Muslim League, to create disruption among the Muslims by following in the footsteps of the British who first came into India by creating differences among the Indian Princes. The British wanted to rule by creating differences among the independent States of India. The same tactics was followed which has failed, as it

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was bound to fail, as historically and theoretically it should fail. Where are we today ? We stand on the threshold of a new era. If you have a desire for it, let us examine things as they stand, calmly, patiently and without any desire for overlordship. For, if desire for overlordship is to be the main consideration, I do not see any reason why England should give any power to India. You have not crushed the Englishmen ; you have not defeated them in battle. On what basis are you demanding self-government ? On the basis of equity and justice ; and on that basis on which the whole theory of evolution of power is based, I demand that our people should have a government of their own. I have said that the Congress has come to our rescue most unintentionally. They came to our rescue at the time of the Simla Conference. By saying that we did not have a mandate from the people they goaded the Muslims to vote solidly for the Muslim League. It is due to the direct result of the assertions made by the Congress at the time of the Simla Conference that we have received this overwhelming support from the Muslim masses. And again they have come to our rescue very recently. The Rashtrapathi Maharaj—I do not wish to name him—by his flying visits to different provinces has conferred a great boon on the Muslims of India by showing that even in their homeland, in the Akhand Hindustan, there was no chance of having a Government of their own, by showing positively that the machinations of the Congress will be so great that you will be always cheated of the price of your labour, as he has been done in the Punjab. They have convinced even those amongst us who believed in the unity of India that the salvation of Muslims lies in Pakistan.

I will just say a few words on the results of the elections in the Punjab. It is the nearest province to the Government of India and one in which many of them take a deep interest. Sir, the Congress put up 83 candidates for the General and Sikh constituencies. They got 51 persons elected and 12 of the Congress candidates lost their security deposit and most probably many of them were in the Panthik Akali contests. All honour to them. The Unionist Party has given a great leader to the Congress, a tried leader, a man whose sterling worth the Congress has now recognised by serving under him, because of his great services to the then Governor they think they can safely rely on him to be as subservient. A man who can be under the thumb of one man will be under the thumb of the other too. They put up 101 candidates—the mighty Unionist Party—and 18 candidates were elected ; 18 others lost their security deposit. The Panthik Akali Party naturally put up only 30 candidates for 30 seats reserved for the Sikhs. It got 22 out of that ; and not even in a single one of the 8 seats they lost was there forfeiture of security. That shows that there is a better future for them and I hope they will continue as they have done in the past. 214 candidates were put up by the Coalition Party which is now in power in the Punjab they got 91 persons elected. It gives a 42 per cent. return and 30 of their candidates forfeited their security, which represents 14 per cent. The Party which has been so unsuccessful in the elections is chosen—no two of them combined even would equal the Muslim League Party—for wielding power ; it pleased the Governor who has no sense of constitutional propriety to call those people who had been so thoroughly repudiated by the electorate to form the Government of the day. I will give another figure. The Congress secured 57 per cent. of the general constituency votes ; the Panthik Akali Party secured 43 per cent. Sikh votes and the Muslim League Party secured 65 per cent. of the Muslim votes. I am indebted to the *Times of India* of the 14th March for the figures which I have quoted today. We put up only 86 candidates and we got 75 returned. Does that not show to the blind eyes of the occupant of the gubernatorial chair who has the confidence of the people? But, Sir, this is the direct result of the unholy alliance which exists at the moment between the two parties, one the King's and the other the presumptive heir-apparent's.

THE HON. RAI BAHADUR SRI NARAIN MAHTHA : If the Hon. Member will permit me to make one interruption, I would like to say that he has grossly misrepresented the position with regard to the Sikhs. The Congress lost in the Sikh constituencies because the Sikhs were apprehensive of the long-standing Congress softness towards Mussalmans.

THE HON. SIR SOBHA SINGH : I challenge that. All Sikhs who had been put up against the Akali Party were supported and financed by the Congress.

THE HON. RAI BAHADUR SRI NARAIN MAHTHA: That is irrelevant. Every Party supports its candidates.

THE HON. MR. HOSSAIN IMAM: I was saying that we, of the Muslim League, want to live and let live. We do not wish to encroach on a single acre of land which is not strictly within our area. We have not defined the boundaries, because our Resolution provides that Pakistan should be established in the North-West and North-East Zones of India where the Muslims are in a majority with such territorial adjustments as may be necessary. I think that extends the hand of friendship to my fellow-countrymen, and it is up to them to talk over the matter in a calm and quiet manner and in an accommodating spirit. If the spirit which usually we find among businessmen is present, I have no doubt that this tangle could be solved without detriment to anyone, with happiness and contentment for all the peoples who live in India.

Sir, a question was put yesterday as to why the Muslim League has now decided to support the Finance Bill after having opposed it all these years. I think, Sir, the reasons were very plainly stated by the Deputy Leader of the Muslim League Party in the other House and the Finance Member of the Government of India. There was no pact. It was alleged that it has been done for a political purpose. Nothing of the kind. The situation has changed enormously since the last year. Firstly, we also felt—and I think every self-respecting man would have felt—that during the war for the citizens of the country to be deprived of any power and control was unjust and therefore we continuously opposed the Finance Bill, because we were opposed to the carrying on of the war over our head. That condition does not exist today. We are in peace. Secondly, Sir, the attitude of the former Finance Member—and the Principal Secretary for Finance will bear me out was mostly, "Take it or leave it, this is the Finance Bill which I wish to present to you. If you accept it so much the better. If you reject it we will get it certified". Here, Sir Archibald Rowlands made a new offer. He said that he was prepared to consider your suggestions for further reliefs and he showed his willingness for further relief, provided he was not forced to have recourse to certification. Now, I profess to represent the public. We profess to have been actuated by a desire to serve the public. How would it be compatible with our statements and when we could get some concessions for the peoples of India, we should refuse them merely on political grounds. If the representatives of the political parties are not sitting on the Treasury Benches whose fault is it? Is it the fault of the present occupants? Did they refuse to resign and keep us out or was it our own differences which have kept us out? That, Sir, is an additional reason why we feel that it should be supported. Thirdly, Sir, as was pointed by out my colleague, Sir Gopalaswami Ayyangar, the fact that all these years the Bill was coming in a certified form to this House make for those members who are not ordered to do things to use their own discretion and decide the thing on merit, just as Sir Gopalaswami Ayyangar has decided on merit and not to oppose it in the manner and for the reason for which he used to oppose it formerly.

Sir, we are charged with having a pact but I say, quite frankly that the present executive if we support the Finance Bill should not run away with the thought that we support them in all their actions, that we have become their camp fcllowers or that we have no grouse against them. I have a very strong grouse against them and I think that there is no Mussalman in India who has not a grouse against the present Government of India for the fact that Capt. Burhanuddin and Capt. Rashid have been treated in the manner in which they have been treated. A perverted notion of cruelty has crept into the minds of the Britishers that it is humane to kill but cruel to beat. This can be the notion of no people in the East. It may be the western conception but I can say, Sir, that we easterners do not feel like that. But you can expect nothing from our Government of India. When the Frontier used to be bombed it was averred that it was a humane measure; it saved lives, but when London was bombed by the Germans it was called brutal. The use of V weapons was regarded as heinous crime but atom bomb was the most perfect form of civilisation. Well, from a people of that nature you can expect nothing.

THE HON. THE PRESIDENT: You have already spoken for 40 minutes. Will you please bring your remarks to a close. The clock you are looking at is not working!

THE HON. MR. HOSSAIN IMAM : I have been looking at the clock and thinking I have still a lot of time !

Well, Sir, I was saying that the cases of Capts. Burhanuddin and Abdul Rashid deserve better treatment than has been awarded to them. It is most obnoxious that they should be punished in the manner they have been punished except as a method of differentiation between the two peoples who live in this country.

Sir, I am not going to waste much of my time. I will just go over some of the financial points.

Sir, I find that the Treasury Benches and especially the Finance Member has become a convert to the caste system of India. They also I think cannot be without the Brahmins and Pandas. The Taxation Enquiry Committee which they are going to form is to have the Birlas in the shape of Brahmins, the capitalists who will officiate in all the prayers, the Pandas will be the managing agents who will take you to the temple and the Harijans who will have to clear the ground will be the politicians. The Taxation Enquiry Committee is to remain the preserve of those who have vested interests just as for the Planning Department the panels have been kept as a close preserve of those who are already in the business. Exploiters must be helped to exploit, the rich must be allowed to become richer so that the poor may be allowed to become poorer.

Sir, I want to know why no effort has been made by the Government of India to recover our contribution from Burma on account of the repayment of loans. His Majesty's Government can advance them for all other expenses. Why cannot they advance this money for that purpose also. Is it because it is regarded as unessential? The Government of India's demands are always unessential and not worth being met. This is the comment from H. M. G. to their most obedient servants.

Sir, I also refer to the complete silence of the Finance Department about what happened to the money which we spent on paying compensation for the Bombay Dock Explosion. A sum of Rs. 14 crores was spent and we were told that it would be recovered from H. M. G. or from the Allied Governments but so far the ineffective voice of the Finance Department of the Government of India has proved a cry in the wilderness and has not attracted any attention or any reply perhaps from anywhere.

Sir, I do not wish to take up the time of the House any more but I should mention that the Hon. the Finance Secretary in his Explanatory Memorandum has given us a very rough idea without specification of our non-interest bearing assets. I would request them as I asked last year that this part of our liabilities should be more specifically stated in the next Budget.

THE HON. THE PRESIDENT : Will you please bring your remarks to a close ?

THE HON. MR. HOSSAIN IMAM : I have not got much to say now, Sir, but would like to refer to a few items.

Last year, I had asked the Finance Department that it should spend more money on Income-Tax, Account and Audit as they were the departments concerned with bringing in money, and because of the false economy we were being made to lose much. I am glad that they accepted that advice and the Hon. the Finance Secretary told us that they are going to expand them but I find that even now the expansion is not enough. I was thunderstruck, Sir, when I found in the demands for grants No. 70 for Delhi that 67 persons known as additional establishment were going to cost Rs. 9,80,600. That every man who was not an officer but belonged to the ministerial staff should cost Rs. 15,000 per annum, Sir, on the face of it is a wrong statement. Not that it was a dishonest statement ; it simply indicated tha the pressure of work and fewer hands to do it had made it impossible for these things to be examined. Perhaps the figure of 67 was wrong ; probably, it contained something about Police establishment, but I just cite that as an instance how the scrutiny is not enough and that shows that people have more work to do at least in the Finance Department although there are Departments in which there is little work to do and more men to be shown.

Sir, an appeal was made by a few of our friends that the Hindu undivided family should not be treated in the manner in which it is being treated now. I have nothing to say on that, because it does not concern me, but I do feel that when anyone makes a demand which is justifiable on merits, merely to give the excuse that it has existed for a long time is not the right way of disposing of the demand ; a long-standing injury or injustice does not make it any the less of an injury or injustice because of its long-standing nature. If there is any injustice, I think it should be set right.

There is another thing I should like to say. In the Estate Duty Bill that has been introduced in the other House, it is likely that we will be harder hit, because we have no survivorship. And then we will ask also that equity should prevail.

In the end, I have to say that this Bill may not be ideal, but it was the best that we could have in the circumstances, and for that reason we support it.

LIEUT.-GENERAL THE HON. SIR THOMAS HUTTON (Planning and Development Secretary) : Sir, I may perhaps be allowed to crave the indulgence of the House on this the first occasion on which I have addressed it. It has been suggested in the course of the debate that Government are not serious in their planning and that the Planning and Development Department have not obtained the co-operation of other Departments of Government. We have also been asked, I think by my Hon. friend Pandit Kunzru, for a programme of our proposed expenditure during the next five years, and when full information may be available as to what our plans are.

As regards the first point, the fact that Government are serious in their planning is, I think, shown by the large number of reports, statements of policy and plans that have actually been prepared and in most cases published. We are sometimes told that everything is on paper. But Government are in fact so deeply committed to those very papers that they could not possibly withdraw. Government have also gone further. They have approved 100 per cent. advance grants for many hundreds of development schemes to be carried out by provinces in 1946-47. Actually a provision of Rs. 35 crores has been made in the budget for that purpose. This, of course, is in addition to loans for productive schemes.

As regards the co-operation of other departments, and, I would like to add, of the Provincial Governments, it would be proper for me to speak only respecting officials. I would like, however, to take this opportunity of saying that I have had the fullest co-operation and consideration from my colleagues both in the Centre and amongst the senior officials of the Provincial Governments. Difficulties, of course, there have been, some of them due to genuine differences of opinion, and some due to the very heavy burden of current work which has fallen on officials during recent years ; and I do think they deserve everybody's thanks for the way they have got down to these plans at a time when they were struggling with an enormous mass of urgent work connected with war and war-time problems. I think I can say quite honestly that in practically every case we have resolved those difficulties in a spirit of complete goodwill and co-operation.

As regards the various plans, I quite agree that the time has come when we should endeavour to put them together and show the country as a whole what is actually proposed to be done in the five-year period covering the whole field of development. Recently we gave instructions for a summary of the interim plans for 1946-47 to be prepared—something that would be suitable for the information of the public. We could not do this before, because we have not even yet quite finished the examination of the plans and the approval of them for purposes of advance grant. It is the same with the five-year plans. Most of the Provincial Governments have published their five-year plans and information is being made available as to a great many of the plans of Departments of the Central Government. The examination and review of those plans is not yet complete, but it is very desirable that a comprehensive review for the information of the public should be available as soon as it can be prepared. I can only assure the House that the Planning and Development Department have not lost sight of this matter.

As regards finance, we see no reason at present to revise the estimates of the funds which may in certain conditions be made available, which were announced by the

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late Finance Member, Sir Jeremy Raisman, in his Budget speech in 1944. This amounted to a total, in the first quinquennium, of Rs. 500 crores by way of revenue surpluses and Rs. 500 crores by way of loan.

THE HON. PANDIT HIRDAY NATH KUNZRU : How does the Hon. Member propose to get a surplus of Rs. 100 crores a year in the next five years ?

LIEUT.-GENERAL THE HON. SIR THOMAS HUTTON : I will ask my Hon. friend the Principal Finance Secretary to deal with that point. This is, of course, in addition to private investment. Without going into details, I can say that plans are available either from the Provincial Governments or from Central Departments which would absorb approximately the whole of these sums and such other resources as are available such as provincial surpluses.

As regards industries, information has been made available from time to time of the progress made, and it has also been announced that the reports of the Industrial Panels are in an advanced stage and may be ready very soon.

Finally, I would like to assure the House that Government is sincere in this business, and that while much remains to be done, a great deal has already been done. Post-war development has in fact actually commenced, and will, I feel sure, continue with ever-increasing momentum in the years to come.

THE HON. PANDIT HIRDAY NATH KUNZRU : When may we expect the Central Government's quinquennial plan to be ready ?

LIEUT.-GENERAL THE HON. SIR THOMAS HUTTON : A number of plans have been issued by the respective departments. They have not been put into one compendium which includes them all. That, I hope, will be done in due course.

THE HON. THE PRESIDENT : I shall now call upon the Hon. Sir Cyril Jones to reply to the debate. As regards the other members who have not spoken, I will give them an opportunity later on to address the House.

THE HON. SIR CYRIL JONES (Finance Secretary): Mr. President, Sir, I feel that I should at the outset of my reply to this debate make an apology to you and to the Hon. Members of this House on behalf of the Hon. the Finance Member for his inability to attend any portion of the debates in this House on the Budget and the Finance Bill. By a conspiracy of circumstances he was, at the time of the general discussion on the Budget here, laid aside through a temporary but acute bout of indisposition which confined him to his bed for a few days ; and on the present occasion he has been fully occupied in the other place where for two days continuously his presence has been necessary for the moving of Supplementary Demands. I sympathise with the House, the more especially because I feel my inadequacy as a substitute for a man of such brilliant attainments as our present Finance Member.

The debate on a Finance Bill, Sir, is something of an event, both because of its intrinsic importance and interest, and because of its constitutional significance. During the current debate one has felt and sensed the change in atmosphere that has taken place in comparison with that which has been evident during similar debates in the last few years. That change, Sir, I welcome. I regard it as a portent of hope. By contrast with what I might call this improved general atmosphere the very few exceptions have been the more noticeable. It is, Sir, a matter of personal regret to me that the contribution to a debate of this importance of a speaker of such personal charm and outstanding and fluent oratory as the representative from Madras Province, Mr. Thirumala Row (who incidentally, I might remark, manages to look remarkably well and to keep particularly vigorous on his 800 calories a day), should have been devoted to promoting suspicion and mistrust, refusing to recognise any change in the situation, reviving old and time-worn shibboleths, denying the quality of sincerity to others while presumably claiming it for himself, and refusing to recognise difficulties which are apparent—and only too painfully apparent—to any honest man. I trust that this was only the exhuberance of oratorical licence. But I would make a personal appeal to the Hon. Member to reflect as to whether this sort of thing really does help in present circumstances, and whether even at the twelfth hour goodwill cannot be summoned in support of a speedy, acceptable and honourable solution of one of the greatest problems of statesmanship

that has ever faced mankind. My Hon. friend Mr. Kalikar urged that His Majesty's Government should take a quick decision and hand over power to India. I suggest, Sir, that never in the history of the United Kingdom has public opinion been so solidly mobilised behind the Government of the day as it is at present behind the policy of the present Government as announced and defined in recent months. But is anything to be gained by refusing to recognise that the solution of the problem is and must be a co-operative effort, and that the situation requires decisions on the part of the foremost Indian leaders as well as on the part of His Majesty's Government ? Sir, I have served in India for more than 30 years. I have been a Member of this House for 7 years and I make that my excuse for a personal plea for a spirit of goodwill and co-operation in this critical time.

But, Sir, I am straying from my brief, and in this interesting debate a number of points have been raised to which Hon. Members will expect some reply ; although again I must say that it is impossible, in the course of an hour's reply on the part of the Government Member, to make mention of the many different points that have arisen during the course of the two-day discussion. I would like first to deal with the question of direct taxation. There is one minor point raised by my Hon. friend Sir David Devadoss. He asked if pensions do not count as earned income. The answer is that they do. Under clause (6AA) of section 2 of the Indian Income-tax Act, as amended by the Indian Income-tax (Amendment) Ordinance, 1945, " earned income " includes any income of an assessee which is chargeable under the head " Salaries " ; and under section 7 of the Indian Income-tax Act, the tax is payable under the head " Salaries " in respect of any salary, annuity, pension, and so on. Therefore, pension counts as salary for purposes of assessment to income-tax and under the provisions of the Ordinance of last year secures the benefit of earned income relief. But it is possible that my Hon. friend's difficulty has arisen from the fact that salaries earned in the year 1944-45, though assessed finally in the year 1945-46, are subject to the rates applicable in the earlier year, 1944-45. It is for that reason that special provision was made in the relevant enactment of last year, *vide* section 7(2), that ' there shall be deducted from the total income of an assessee in accordance with such provision an amount equal to 1/10th of such earned income exclusive of any income chargeable under the head " Salaries " but not exceeding in any case Rs. 2,000 '. Thus, salaries and pensions for the year 1944-45 are assessed at the 1944-45 rates which do not provide for earned income relief, although other income, business income, for instance, of the year 1944-45, is assessed in the year 1945-46 and will therefore secure earned income relief.

This brings me to the point which was raised by my Hon. friend Sir Gopalaswami Ayyangar, who asked for the reason and justification for different rates in the final assessment on that portion of the income represented by " Salaries and interest on securities " and on " Other income ". My Hon. friend said that it was a cause of confusion to have two rates applicable to different parts of the same year's income. I do not know whether it is a fact that confusion has been caused, but this is a time-honoured practice which has operated from the very time when income-tax on these two classes of income, *i.e.*, salaries and interest on securities, was first deducted at source. It is deemed to be convenient to the Administration and to the assessees that those deductions should be regarded as definite tax, and not as mere advance payments, and consequently, whenever income-tax rates have been raised in the past, the enhanced rates have never been applied to " Salaries and interest on securities " assessed by deduction at source in the previous year. Consequently, when rates are lowered, or when any other concession is given, we cannot apply that reduction of rates or that concession with retrospective effect to salaries received in the previous year. This is really the only possible arrangement in the interests of the convenience of the assessees themselves. Thus in the case of interest on securities, where interest is paid subject to deduction at source of income-tax thereon, the security itself might change hands many times before the final assessment is made, and it would be a tiresome and difficult job tracing back tax adjustments through the various transfers to the earlier holders concerned. Present practice thus seems the only fair and reasonable way of treating this particular question, and it is undoubtedly administratively convenient. That is both the reason and the justification for the arrangement.

[Sir Cyril Jones]

Another question connected with income-tax, Sir, has been raised on which I hesitate to tread because it is technical and somewhat difficult. But I feel I must say a few words on it because it has been referred to by several members during the course of the debate, namely, the Hon. Mr. Motilal, the Hon. Mr. S. K. Das, the Hon. Pandit Kunzru and lastly the Hon. Mr. Hossain Imam. The Hon. Pandit Kunzru declared it, oddly enough, to be an obvious injustice. That assertion was taken at its face value by the Hon. Mr. Hossain Imam. I do not know, Sir, on behalf of whom the Hon. Pandit Kunzru speaks when he declares that this is an injustice to Hindus. When the 1939 Income-tax Bill was on the anvil before the Legislature the Hindu majority in the Assembly refused to support a demand for special treatment for Hindu undivided families for securing more leniency for income-tax purposes, and they certainly did not take very seriously the complaint that income-tax law was causing the disruption of the Hindu undivided family——

THE HON. MR. G. S. MOTILAL : May I inform my Hon. friend that that is not correct. Both Mr. Bhulabhai Desai and Mr. Aney said that division should not be taken to be a physical division of property and the Hon. the Law Member then said that they would leave that point for decision.

THE HON. SIR CYRIL JONES : I wish, Sir, that I had taken the precaution of bringing that debate. I would have quoted with pleasure certain extracts from the Hon. Mr. Bhulabhai Desai's speech which would have confirmed my statement—

THE HON. THE PRESIDENT : You can do so later on.

THE HON. PANDIT HIRDAY NATH KUNZRU : Does the Hon. Member deny that there is dissatisfaction in the Hindu community because of the existing state of the income-tax law with regard to joint Hindu families ?

THE HON. SIR CYRIL JONES : I say that the feeling among the Hindu community is not uniform on the problem, and that there is no consensus of opinion so far as I know. This very question has been debated on the floor of this House with a negative result. One grievance that is alleged to my knowledge is that the undivided members of a Hindu undivided family have to pay more because they are assessed as a joint family than if their income was divided among themselves and they were separately assessed, notwithstanding the fact that certain assessment concessions are given to the undivided family. But that, Sir, is an arrangement which works two ways, sometimes in favour of the members and sometimes against them. For instance, if the undivided members have large personal incomes, by virtue of section 14 (1) of the Income-tax Act which exempts the income received by a member from his share in the family income so that it is not included in his total income even for the purpose of determining the rate of tax payable by him, where the personal incomes are substantial, the members of the Hindu undivided family profit by being assessed in respect of their family income as a family and.....

THE HON. MR. G. S. MOTILAL : I am afraid the Hon. Member has missed our point.

THE HON. SIR CYRIL JONES : But after all, Sir, the fact remains that if any Hindu undivided family feels that it is prejudiced in being so treated and assessed, its remedy is obvious, namely, to partition, in which case the members will be treated as individuals, as they will then be. All that the income-tax law requires is that partition should be genuine ; the partition may be legal, but it is not genuine, unless there is physical partition by metes and bounds. If the Income-tax Department were to depart from that principle, the result would be that while it would be possible for members of a Hindu undivided family to divide and to re-unite on paper as it pleased them, while leaving their property intact and undivided all the time, they could merely divide or re-unite according to the circumstances of their personal and their family incomes for the year in question so as to get the utmost benefit of both worlds in the matter of their assessment of income-tax. Those are the main reasons why this particular procedure, which I admit operates harshly in certain cases, has in the past never been changed. I repeat that Hindu opinion is certainly not unanimous on the subject, and I repeat my suggestion to the Hon. Mr. Motilal, if he doubts, to read Mr. Bhulabhai Desai's speech on the 1939 Income-tax debate in the Legislative Assembly.

THE HON. MR. G. S. MOTILAL : I have read both speeches very carefully.

THE HON. SIR CYRIL JONES : I have nothing more to say on the question of income-tax except to express my surprise that certain Hon. Members should assert during the course of this debate that the present Finance Bill increases the rate of income-tax on people of ordinary means. I do not know amongst whom the Hon. Mr. N. K. Das lives ; he must live among the ranks of the wealthy, because it is only people with earned income of Rs. 1 lakh or more who pay more income-tax during the next year than they would have paid during the current year ; and, as I explained in my reply to the general debate, there is a considerable range in the lower reaches of the income-tax scheme where—I think it is up to Rs. 8,000 per annum—assessees will actually pay less under the new scheme of income-tax than they did in the pre-war year 1938-39.

There has been a considerable consensus of opinion, Sir, as to the need for scrapping our economic controls, for the reason that they encourage and facilitate corruption. With that view the Government have every sympathy in theory ; but the extent to which they can be guided by those considerations are unfortunately limited in practice. Since the cessation of hostilities, the policy of the Government has been to remove controls where possible and to retain only those which are considered essential to the economic health of the country. Not a single control, so far as I am aware, is being maintained for control's sake. Wherever possible, controls have been dispensed with, such as those relating to motor vehicles, spare parts and batteries ; a number of procurement controls of the Industries and Supplies Department, Labour Recruitment Control Orders, Railway Controls, such as those relating to luggage and parcels, etc. It has been done to the extent, as was explained in the Budget Speech, of the elimination already of 150 controls. Amongst the 135 that continue, there are first of all controls which are considered necessary for assisting a smooth transition from war to a peace economy.

I would illustrate that category of control by mentioning the Import and Export Trade Control, which, although still necessary for obvious reasons, has been considerably simplified and relaxed. The Capital Issues Control comes within the same category and is being retained for reasons given both in the statement of the Government's industrial policy and also in the Budget Speech. A further example of that type of control is the Mica Control.

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Then the second category of controls are those necessitated by the present food crisis, as for example, those relating to export of cattle, export of manure, cultivation of specified crops and the use of milk for industrial purposes. These controls are being maintained in the interests of the food situation and, the food situation being critical, I think that proposition will be disputed by few.

THE HON. RAI BAHADUR S. K. DAS : What about the relaxation of the Cloth Control ?

THE HON. SIR CYRIL JONES : I would put Cloth Control under the next category ; the third category that I am just going to mention.

THE HON. THE PRESIDENT : The Hon. Member may proceed with his speech. Otherwise there would be no finality to these interruptions.

THE HON. SIR CYRIL JONES : The third category is that necessitated by shortages, of which cloth is an example. Other instances are non-ferrous metals, newsprint, coastal shipping, and so on. Then, lastly, there are provincial controls which relate mainly to the distribution and movement of foodstuffs.

I think this will serve to illustrate that the Government have very good reasons for maintaining those controls which are still in operation, and I would repeat that their general objective is to break away from controls as soon as the necessity for the controls ceases.

THE HON. THE PRESIDENT : May I ask what happens to these controls six months after the termination of the war which, as the Government have already announced, officially terminates on the 1st of April ?

THE HON. SIR CYRIL JONES : Well, Sir, such controls as are based on legislation or rule or order which will itself expire as a result of the termination of the war will have to be placed on a legislative basis if it be considered necessary to continue them beyond six months after the termination of the war.

THE HON. THE PRESIDENT : Then in that case meetings of the Legislature will be necessary before September next.

THE HON. SIR CYRIL JONES : If it is an emergent matter, the power of Ordinance still remains, although limited to a period of six months. This might be a possible way of tiding over the difficulty until legislation through the ordinary channels becomes possible, but we hope that such a contingency will not arise.

THE HON. THE PRESIDENT : Thank you.

THE HON. SIR CYRIL JONES : There has been some comment, Sir, on the question of reduction of Civil expenditure and reduction in the Civil departments following the end of the war, although, so far as I can gather, again we have no unanimous, or even general consensus of opinion on the subject. The Hon. Sir Shantidas Askuran rather surprised me by advocating a return of the Civil budget to the pre-war level.

THE HON. SIR SHANTIDAS ASKURAN : I did not say that at present. The aim should be that we should reach that level or nearabouts.

THE HON. SIR CYRIL JONES : If that were generally acceptable, Sir, we must aim to return to the pre-war level of prices, we would have to return to the pre-war care and maintenance system of administration, and to abandon all ideas of a forward development policy. Those are the only circumstances in which we could possibly return even ultimately to a pre-war level of Civil expenditure.

I would like to explain though, Sir, what action was taken in connection with the end of the war. The Finance Department issued a directive requesting the termination by the end of October, 1945, of posts and projects which were directly connected with the conduct of hostilities, suggesting examination in respect of posts and projects connected with the maintenance of economic controls and other activities arising out of the war, and asking in respect of posts and projects which were part of the normal activities of Government that fresh and full justification for their continuance should be furnished. The object of this survey was not so much the number of rupees that could be saved but to secure the termination of unessential expenditure with a view to expediting the transfer of resources from war-time purposes to peace-time developments. There was a general scrutiny of the grants under the control of each Civil department and, besides terminating posts for which no *prima facie* justification existed with the end of the war, economies were suggested which were mainly incidental to the re-orientation of the activities of departments in the transition from war to peace. Reductions were classed into three categories—

THE HON. SIR SHANTIDAS ASKURAN : On a point of information, Sir. May I know whether Government desire to appoint a Committee, similar to Lord Inchcape's Committee which was appointed after the last war, to go into the figures of expenditure and to suggest how it shall be curtailed ?

THE HON. SIR CYRIL JONES : We have explained before in that connection, Sir, that our greatest difficulty in that respect at present is the severe strain of our man power resources. It is a fact that few departments can spare even a single officer without being put to considerable strain and difficulty, and the conduct of a Retrenchment Committee on the lines on which it has been held both here and in the provinces in the past with the preparation of memoranda, the examination of witnesses and so on, is such a large undertaking that we simply have not got the men available at present. But when the war-time pressure on our personnel diminishes, as we hope it rapidly will, that will be the time when a Retrenchment Committee might well be a possibility. I conceive however that that will be a matter for the new Government.

I was explaining, Sir, that reductions could be classified mainly into three categories. First, those reductions which were attributable to activities which had become unnecessary due to the end of the war, of which by way of concrete example I would mention the Counter-Propaganda Directorate, Press Advisers, the Civil Pioneer Force, Civic Guards, war-time additional police, and so on. Next there were the reductions effected as the result of the curtailment of activities, such as the Labour Department's Unskilled Labour Supply, the Intelligence Bureau

in the Home Department, the activities of the Controller General of Civil Supplies, the Chinese Relations Officer, and so on. In the third category I would place, in a category all to itself, the reductions resulting from the cut imposed by the Legislature of Rs. 93 lakhs in the Information and Arts Department. Thus, although the Government have been paying attention to the question of cutting out unessential expenditure and cutting down expenditure that is capable of being pruned after the termination of the war, they have done so with discretion, in view particularly, to the switching over of personnel from activities that can be curtailed to those which have to be expanded in the changed circumstances : because, side by side with these reductions there has been expansion with a view to preparing and implementing development plans in the nation-building departments such as those of Health, Agriculture and, in the matter of Resettlement Directorate, the Labour Department.

My Hon. friend Brigadier Hissamuddin raised a question of some interest to me namely, his suggestion that the statutory subvention to the North West Frontier Province should be increased. The Government are certainly not unmindful of the conditions in regard to that Province which are peculiar to it—its wide-flung nature relative to its population, its comparatively meagre resources, the fact that as a small unit it has to carry the overheads of government just the same as the larger provinces, and so on. But there are difficulties in upsetting a financial scheme such as that introduced with the 1935 Act. Looking ahead, however, to the time when India will, as we hope, embark on a forward development policy, these disparities, as I might call them between province and province in the matter of their standard of social services and administration can possibly be ironed out to a certain extent by the scheme of distribution of Central grants for Provincial development purposes. That matter, as mentioned in the Budget Speech, has not yet been decided. It was indicated that we have, for the purposes of planning only, assumed distribution on a population basis, with special consideration for small provinces and those with meagre resources. But if it proves possible to adopt a system somewhat on the lines of the Australian Federal grant system, which takes into account such factors as the natural resources of the State, its stage of development, its taxable capacity, and so on, we shall have a system which will have as its primary object the achieving of a reasonably equal standard of social and other services in all parts of the country. As mentioned in the Budget speech, this is a matter which we cannot finalize and dogmatize at the present time. But it certainly affords a way out in the case of a province such as the North West Frontier Province and, I would add for the benefit of my Hon. friend from Assam, other provinces, in the same straits, such as Orissa and Assam, which will remove this disparity in the standards of administration in the different provinces. But until that question has been more fully gone into, it is impossible to say anything at the present moment.

I would like to make a brief reference to the point raised by my Hon. friend Mr. Muhammad Husain in the matter of the disposals procedure. He urged that we should devise a system which should secure that surpluses reach the hands of the general public and are not given to capitalists for purposes of exploitation. He has there put his finger on the root difficulty in any system of disposals at a time of general shortage of supplies, because there is inevitably a conflict between the one objective of getting stuff into the economy of the country quickly and the other of holding it up until you have reasonable stocks which then you can put out in an orderly manner. This matter is engaging the attention of the Disposals Directorate. In certain cases such as textiles where there is a textile control organisation already in existence through which the Government can work, the problem is fairly simple of solution. But in other cases, when you are going to put out surpluses in small quantities into a partial vacuum starved of those particular commodities, there is inevitably a risk of them passing into a sort of black market to the detriment of the legitimate consumer. I cannot say any more at present except to assure the Hon. Member that the Government are aware of this problem and are doing what they can to solve it, and I will see that his remarks are passed on to the appropriate department for their consideration.

One other matter to which I might give the very briefest attention is the reference that has been made to the question of payment for compensation disbursed in connection with the Bombay explosion. The Hon. Mr. Hossain Imam is in fact

[Sir Cyril Jones]

incorrect in saying that we gave an assurance that this compensation would be payable by His Majesty's Government or by the United Nations. We have never given such an assurance, for the simple reason that we have never been in a position to give such an assurance. What we did say was that we would take it up : and later we did take it up with His Majesty's Government, and it is still under their consideration and under our consideration. It raises very large and intricate problems, with repercussions extending far beyond the immediate sphere of this incident ; and I would say no more at present than that a representation has been made that it is still under consideration and no final decision has yet been arrived at.

THE HON. MR. HOSSAIN IMAM ; Any hope ?

THE HON. SIR SHANTIDAS ASKURAN : Are His Majesty's Government favourably considering the representation ?

THE HON. SIR CYRIL JONES : I can say nothing more than that the matter is under consideration.

THE HON. MR. HOSSAIN IMAM : No hope !

THE HON. SIR CYRIL JONES : Lastly, I would like to say something about the interesting subject of indirect taxation, with particular reference to the Hon. Sir Gopalaswami Ayyangar's point that he agrees that the salt tax cannot be abolished but thinks it should be halved, and to the Hon. Pandit Kunzru's suggestion that if the betel nut duty could be halved, it could and should be abolished. As a background against a further consideration of this subject, I should like to refer again to the point I made in my reply to the general discussion, that in my own view—and I think many reasonable men will agree with me, although I do not say that all who do not agree are not reasonable—there is no question but that the common man derives far more real benefit from economic development which increases his income and raises the general standard of living than from the actual financial results of any such lessening of the burden of indirect taxation as is within the bounds of possibility. And I suggest that any impartial student of the present Budget must acknowledge that it contains much real and immediate, although indirect, advantage to the ordinary people of this country. It has been possible to do this by giving such taxation remissions as will stimulate the revival and the expansion of industry. The *per capita* incidence of indirect taxation on the poor classes is in fact so light that any feasible reduction can hardly be felt by the individual ; whereas the State, which gets these millions upon millions of small individual contributions, can hardly afford to sacrifice revenue on that scale when it is actually contemplating expensive and far-reaching measures of social and economic development. But, in pursuance of his inquiry as to the basis of an acceptable Finance Bill, the Hon. the Finance Member had discussions with leading personalities of the main political parties to see in which ways they would recommend reduction to such limits as were practicable. The two features of any possible steps which he had in mind were, first, a desire to relieve necessities rather than luxuries, and secondly, the practical consideration that such reduction as was made in taxation must be capable of being passed right through to the consumer. Against that background I would like to consider the question of salt. I admit that of all the commodities taxed in this country, the one which best satisfies the first of these two criteria, *i.e.*, necessities rather than luxuries is salt itself. But being at the top of the list in that respect, I submit that it comes at the very bottom of the list in the other respect. For, the ordinary consumer buys his salt in such small quantities that the incidence of this tax, whether it be 12 annas or Rs. 1-4-0 or Rs. 1-9-0, on his daily or weekly domestic expenditure is in fact infinitesimal. Even the total abolition of the tax would hardly reduce the ordinary man's domestic cash expenditure and it follows that the effect of reducing the duty would be imperceptible to the consumer even if it could on practical grounds, be passed on to him. But I suggest that it could not in fact be passed on to him, so that the practical effect to the consumer would be nil, since the consequent reduction in the selling price of salt would be so slight that the only beneficiary of the bounty recommended by my Hon. friend would be the wholesale trader.

THE HON. MR. HOSSAIN IMAM : What would be the incidence *per capita*?

THE HON. SIR CYRIL JONES : Something like 4 annas per annum if the duty were entirely abolished. But my Hon. friend recognises the impracticability or the undesirability of completely abolishing the duty. A 50 per cent. reduction would give something like 2 annas *per capita* per annum, consisting of a mere fraction of a pie on the individual consumer's weekly purchase, if the traders could pass on that small benefit in fractions of a pie to the average man's daily or weekly purchases. That, Sir, I think strikes at the very basis of the suggestion which, out of the kindness of his heart (and I am perfectly convinced with the very best of motives) my Hon. friend has advocated.

The only other point that I should like to mention in this connection is this, that these matters were considered by leading members of the various Parties, and they were asked whether they would like—I was not present in these negotiations but I visualise they were asked whether they would like—a 5 crore reduction to be utilised in that way or whether they would have a 6 pies post card *plus* reduction in betel nut duty *plus* a cheaper box of matches *plus* cheaper kerosene. As the House knows, the decision taken was that salt should not be touched and concessions should be given in other directions. In those circumstances, Sir, I think it is asking rather much to suggest to the House that the scheme which has proved acceptable to the various parties to those discussions should be upset at this stage, and I would ask the House to uphold the decision which has been taken and to confine the concessions to those which are embodied in the Bill and those others to which I drew attention yesterday, which are to come in the near future outside the Bill as it stands.

Exactly the same considerations apply to the case of betel nuts. Betel nut is a case where the possibility of the benefit being passed on to the consumer is extremely doubtful. It is a sort of marginal case. The Administration feels that a reduction in the betel nut duty cannot be passed on to the consumer : political opinion thinks that it can ; so the Hon. the Finance Member has agreed to test the difference in view by halving the duty and watching the result. If the benefit of that small reduction is in fact passed on to the consumer, then I have no doubt that the reduction will come to stay. But the total withdrawal of that duty means the upsetting of the system of revenue in a way which might cause damage, embarrassment and inconvenience to the future administration, if they decide that revenue increases are necessary for their forward policy for the uplift and well-being of the masses of the country.

I need not say very much, Sir, about the duty on bullion, the object of which has been explained quite clearly. In a nutshell it is to secure the orderly reduction of the price level of bullion with reference to the supply, both by import and from internal supply. I am unable to appreciate the argument that this duty is opposed to the interests of the poorer people since investment in bullion is their traditional form of saving. Sooner or later, some time or other, the internal prices of bullion are bound to approximate to the world level. The present artificial insulation at the Indian market cannot be indefinitely maintained, and it seems to me the path of wisdom to take a step now which will arm us and put us in a position to be able to make that approach to world prices in an orderly manner as and when imports become available. It is no good arguing that imports can best be made by Government at world prices and the Government of India get the profits. On that basis no imports would be forthcoming, the artificial difference in prices would remain until probably Indian prices came down with a crash to the detriment of the then holders of bullion. Under the arrangement now proposed the Government will have a flexible system, the level of duty having been so fixed that an incentive is provided to importers in this country and exporting interests in other countries to get together and direct available supplies of bullion to this country. I have been amazed in the course of my experience with the bullion market to realise the uncanny way private interests have of smelling out the possibility of collecting gold or silver in quarters of the world that I have hardly heard of. Private interests do have these facilities which are denied to the Government, and so long as a reasonable but not excessive incentive to import is given, when imports become possible they will follow ; and as they begin to produce their effect in bringing down prices, so the Government by notification can progressively reduce the import duty and so regulate the whole process in an orderly manner as circumstances permit——

THE HON. RAI BAHADUR S. K. DAS : How to stop smuggling from outside ?

THE HON. SIR CYRIL JONES : That is a big question which I do not think I can touch on now.

The Hon. Pandit Kunzru gave a very interesting pen picture of the general revenue position. With regard to its general features I have practically nothing to say. The one thing I think he overlooked—and it is a very important thing—is that an expansionist policy, as our experience has shown during the war, brings with it its own remedy in the direction of assisting to pay for itself. That has been very apparent during the war, and it stands to reason that as a large Government expenditure programme progresses, the money that goes out is in some form or other bound to return to the Government either in loans or in taxes. In so far as it fails to do so, the obvious remedy for the future is further taxation, such as the imposition of death duties or whatever the ingenuity of the new Government might devise. But I would like to stress once again the point—and it is relevant to the attitude which I shall have to take in respect of the amendment to be moved by my friend Sir Gopalaswami Ayyangar—that you cannot base a big forward development programme on attenuated revenues. If your programme is going to develop social services on anything like the scale recommended by our experts, your programme is going to cost a lot of money. If that programme is not financed by taxation, you can, to a limited extent and for a time face deficits in your Revenue Budget and cover them by borrowing. But if you cannot borrow to the extent required, the only alternative is either to reduce the pace of your development programme or to finance it by inflation, which I would suggest is far more harmful to the interests of the poorer classes than a scheme of indirect taxation, considerably more drastic than obtains at present.

That brings me to the end of my remarks and brings to an end this discussion on the Finance Bill in this House.

THE HON. PANDIT HIRDAY NATH KUNZRU : Will the Hon. Member give us information with regard to the rate of interest on our sterling balances and how they compare with what it was two or three years ago ?

THE HON. SIR CYRIL JONES : The difficulty is that this question raises many issues, all of which are inter-connected and inter-related, and I do not think the present is an appropriate occasion to go into the general problem of the contribution made by H. M. G. and by India towards financing the countering of inflation in this country. It is so complicated that picking out the rate of interest on our sterling borrowings and the rate of interest that we pay on our rupee loans, would give only a partial and inadequate appreciation of the problem as a whole. I would rather not embark on that problem now.

THE HON. PANDIT HIRDAY NATH KUNZRU : What will be the appropriate occasion in the opinion of the Hon. Member for discussion of this subject ?

THE HON. SIR CYRIL JONES : I must leave it to the ingenuity of my friend.

THE HON. PANDIT HIRDAY NATH KUNZRU : The Hon. Member has been silent on the Budget and the Finance Bill. Will he give us a day for discussion ?

THE HON. SIR CYRIL JONES : I am not in a position to say anything now. Had my friend spoken earlier in the debate, or had he given earlier intimation that he desired to raise this question, I might have been able, in condensed and concise phrase, to give some treatment to the matter. It is a difficult question and I am not prepared off-hand on the spur of the moment to deal with it in my reply.

THE HON. PANDIT HIRDAY NATH KUNZRU : In defence of myself, I must say that I referred to this subject in my Budget speech, but the Hon. Member remained silent and I thought he would be prepared to answer questions in his speech now.

THE HON. MR. G. S. MOTILAL : May I inform him that I had raised this point last year. We are not pressing for a definite reply today. All we want is a day for discussion of the subject this session.

THE HON. SIR CYRIL JONES : I repeat that I am not in a position to say anything on that at the present time. I have no authority to do so.

That is all I have to say within the time available to me. I apologise for keeping the House for this length of time and I do make a renewed appeal to this House to pass the Bill which is now before them.

THE HON. MR. G. S. MOTILAL : I want to ask one question. Why the duty on motor spirit will be one-fourth of what it was in the last year and the year before ?

THE HON. SIR CYRIL JONES : I can deal with that question. I had intended to explain it by interjection when the Hon. Member was speaking, but I missed my opportunity. The Hon. Member is looking at the figures under Motor Spirit on page 2, about the 6th or 7th line, the figures being 57 crores, 64 crores 63 crores and 15 crores. I would ask him to read with that the figures of Refunds which are given on page 3, which read—54,92, 61,50, 59,50 and 9,50 lakhs. The net comes to very much the same all the way through, the reason being that these large figures of imports are mainly for the Defence Services and the Refunds are for the rebate on duty in respect of imported petrol which is utilised for the Defence Services. The amount of motor spirit on which duty is paid which enters into civil consumption is the net figures of the gross revenue and the refunds, and there is no substantial diminution.

THE HON. THE PRESIDENT : The motion is :

"That the Bill to give effect to the financial proposals of the Central Government for the year beginning on the 1st day of April 1946, as passed by the Legislative Assembly, be taken into consideration."

Question put : the Council divided :

AYES—35

Abdool Suttar, Hon. Mr. Abdool Razak Hajee.	Hutton, Hon. Lt.-Genl. Sir Thomas.
Askuran, Hon. Sir Shantidas.	Jogendra Singh, Hon. Sir.
Assadulla Khan Raisani, Hon. Sardar Bahadur Nawab.	Jones Hon. Sir Cyril.
Ataullah Khan Tarar, Khan Bahadur Hon. Chaudhri.	Karamat Ali, Hon. Khan Bahadur.
Ayyangar, Hon. Sir Gopalaswami.	Khare, Hon. Dr. N. B.
Buta Singh, Hon. Sir.	Khurshid Ali Khan, Hon. Nawabzada.
Charanjit Singh, Hon. Raja.	Lal, Hon. Mr. Shavax A.
Chettiyar, Hon. Mr. Chidambaram.	Mahomed Usman, Hon. Sir.
Chinoy, Hon. Sir Rahimtoola.	Menon, Hon. Sir Ramunni.
Conran-Smith, Hon. Sir Eric.	Mukherjee, Hon. Sir Satya Charan.
Das, Hon. Mr. M. L.	Padshah Sahib Bahadur, Hon. Saiyed Mohamed.
Devadoss, Hon. Sir David.	Porter, Hon. Mr. A. E.
Dhai, Hon. Mr. S. M.	Prior, Hon. Mr. H. C.
Ghosal, Hon. Sir Josna.	Sobha Singh, Hon. Sardar Bahadur, Sir.
Gibbons, Hon. Mr. J. M. B.	Srivastava, Hon. Sir Jwala Prasad.
Hissamuddin Bahadur, Brig. the Hon. Sir.	Sukthankar, Hon. Mr. Y. N.
Hossain Imam, Hon. Mr.	Sundaresan, Hon. Mr. N.
	Townend, Hon. Mr. H. D.

NOES—4

Motilal, Hon. Mr. G. S.	Roy Chowdhury, Hon. Mr. Susil Kumar.
Row, Hon. Mr. M. Thirumala.	Surput Singh, Hon. Mr.

The Motion was adopted.

Clause 2 was added to the Bill

THE HON. THE PRESIDENT (to Sir Gopalaswami Ayyangar) : Do you wish to press your amendment in regard to clause 2 ?

THE HON. SIR N. GOPALASWAMI AYYANGAR (Madras : Non-Muhammadan): Yes, Sir. I think I have got to say a few things about it.

Mr. President, I beg to move :—

" That in clause 2, for the words ' one rupee and nine annas' the words ' twelve annas ' be substituted. "

A good deal of what I have to say on this amendment was said by me in the course of my speech yesterday. I wish only to refer to two or three points of some significance today, so that, if possible, I may be able to persuade Hon. Members to vote in favour of my amendment.

The Hon. the Principal Secretary for Finance has dealt with this subject and I think so far as arguments go each of us has exhausted what he has to say in favour of his own position but what I wish to stress on this occasion in regard to the observations that fell from my Hon. friend is that, according to the principles that were laid down for enabling the Hon. the Finance Member to agree to certain concessions inndirect taxation, what he said, I think, is sufficient to indicate that the one com

[Sir N. Gokalaswami Ayyangar]

modity the tax on which deserved to be reduced in preference to the tax on any other commodity was salt. I think he conceded that position. He went on to refer to some discussions between the Hon. the Finance Member and the leaders of Parties in the other House, but before I go to that, Sir, I wish to refer to only one little point in connection with the tax on betel nuts. That has been halved and he put orward the proposition that if the whole of it had been abolished it might have meant an upset in administration which it would be difficult to repair in the future when a new Government comes into power. I should have thought that he must have realised fully the weakness of the argument that he advanced.

THE HON. SIR CYRIL JONES : My Hon. friend himself advanced arguments against abolishing the salt tax entirely.

THE HON. SIR N. GOPALASWAMI AYYANGAR : Well, Sir, there is a difference between the salt duty and the duty on betel nuts. The salt duty and the administration in connection with the salt duty have been in existence for over 75 years. The betel nut tax was introduced only the other day and I can well appreciate that a section of the Central Excises Department has been organised for the purpose of assessing and collecting this duty. This vested interest of an administrative staff is probably what will be upset by the abolition of the tax on betel nuts. The tax itself yields only a very petty amount and I think this would have been a most convenient opportunity for abolishing the betel nut tax because the upset would be of very small dimensions indeed. I think, I said in the course of my Budget speech that no tenderness for anybody who discovered this tax and has been organizing its levy and collection should stand in the way of its abolition. That is all that I wish to say about the tax on betel nuts.

Coming now to the duty on salt, the Hon. Member referred to discussions between leaders of parties and the Hon. the Finance Member. I wonder whether he implied that the Hon. the Finance Member was prepared for additional reliefs to the tune of about 5 crores only and he thereafter tried to arrive at a bargain with leaders of parties as to how these 5 crores could be distributed amongst the various items of indirect taxation. Let me take it that that was his objective. Now, assuming that that was his objective, I think from the point of view of pure merits it ought to have been both the concern of the Hon. the Finance Member and the concern of the leaders of parties that first preference should have been given to the duty on salt. I do not wish at this stage to suggest that the reliefs that have been given in the other cases should be withdrawn and a single relief transferred to the duty on salt. That is not my position. Those reliefs have been given; they amount to about 5 crores. The relief which I propose in addition will mean an additional dropping of about 4½ crores.

THE HON. MR. G. S. MOTILAL : Not that much. It is less than 4 crores.

THE HON. SIR N. GOPALASWAMI AYYANGAR : I think I gave certain figures—it may be a few lakhs this way or that. At the most it may be 4½ crores. Yesterday I indicated the methods by which this additional relief could be financed without inconveniencing the budgetary arrangements of the Hon. the Finance Member.

Now, Sir, there is one point in this connection which I wish to draw attention to. Towards the close of his reply to the debate on the salt duty in the other House, the Hon. the Finance Member is reported to have said that the revenue from Government controlled salt could be increased by better arrangements for sale and marketing, which would produce nearly as much as the present yield from the tax, but that that, however, would take some time to work out. Well, I think it is not an unreasonable inference from this that he did not absolutely exclude from his contemplation the possibility of abolishing this salt duty altogether if he could make that revenue out of better arrangements for manufacture and sale. If that was so, why should anybody object to a more reduction now ? My own advice to the Hon. the Finance Member is that he went perhaps a bit too far in view of what I had already said as to how I view this salt tax. I do not myself favour its total abolition; I only favour its being placed on a low level during normal times, and its being worked up to a higher level temporarily when emergencies require a little more revenue. Personally I do not attach much value to the idea expressed

by the Hon. the Principal Finance Secretary, namely, that our future development programme is going to be enormously prejudiced by reducing our receipts under sources of this description. The salt tax has, I believe, been making a very small contribution to the public fisc for many years now. I think we have got only the figures for about 12 years here, but I find that it gave about Rs. 8·86 crores in 1933-34. In the 1946-47 budget the gross revenue is put at Rs. 9·30 crores. We have got to remember that in this interval the salt duty has been raised from Rs. 1-4-0 to Rs. 1-9-0. Now, I do not think even the Hon. the Principal Secretary for Finance would contend that this is a source of revenue which can be tapped for raising larger resources for the purpose of sustaining the developmental programme of the Government of India in the future.

As regards the other point that the Hon. the Principal Secretary for Finance mentioned, that the benefit that would accrue to the consumer would be insignificant, I have only two answers to give. The first is that if that was the consideration for denying relief even in the shape of a reduction, the Finance Member should have refused it in the case of betel nuts, post-cards, kerosene and so on. He gave that relief; I believe he gave it out of the kindness of his heart, not as much as, the Principal Secretary for Finance suggested, that I am moving this amendment out of the kindness of my heart. All the same, there was the question of a certain amount of relief being given to people who deserve relief, that is, the poor. What I suggest is that before you give relief to any other people you ought to have given relief to those who consume salt——and therefore to practically every member of the population of this country.

As regards the effects of the reduction of this duty, I find that if the reduction is substantial the benefit should be capable of being passed on to the consumer. I will give only one instance. In the year 1922-23 the salt tax was raised from Rs. 1-4-0 to Rs. 2-8-0, and the consumption fell from 519 lakhs of maunds to 372 lakhs. The next year, that is, in 1923-34, towards the latter part of the year the duty was reduced from Rs. 2-8-0 again to Rs. 1-4-0 and the consumption rose from 372 lakhs of maunds to 555 lakhs. It may be that these figures include a certain amount of carry-over from one year to another, but the general trend of it is fairly significant. Today I believe the consumption is estimated at something like 61 lakhs of maunds. My own feeling is that if you reduce this duty from Rs. 1-9-0 to 12 annas there will be a fillip given to the larger consumption of salt in this country and it will be all to the good.

Now, I suggest Sir, that this relief to the common man, which has been denied to him merely because of some arrangement between the Hon. the Finance Member and the leaders of parties, should be given to him now by this House, because I consider it is a very strong case. When the Hon. Mr. Hossain Imam said in the course of his remarks that the reliefs which we have obtained in this Finance Bill were the best that could be obtained, I was wondering whether there was after all some truth in the allegation of the Congress Party in the other House that there was some pact between the Muslim League Party in that House and the Hon. the Finance Member. The existence of a Pact was denied, but the fact remains that this arrangement was the result of an understanding between the Hon. the Finance Member and those who went into the same lobby with him.

THE HON. SIR CYRIL JONES: If I might interrupt the Hon. Member, the Hon. the Finance Member said that he had put exactly the same proposals to the other side, that there was no discussion solely with those who went into the lobby with him. He gave the same proposition to different parties.

5 P.M.

THE HON. SIR N. GOPALASWAMI AYYANGAR: I am perfectly certain that the Hon. the Finance Member suggested the same things to the Congress Party also. I am not one of those who approve of the Congress Party not having pressed for a reduction of the salt duty. They ought to have done so. That they have not done so is perhaps due to the fact that they thought they would not have the support of the Muslim League Party if they had moved this amendment. That is why I suggested that the understanding of those who went into the lobby with him was that that was the best they could obtain from him.

[Sir N. Gopolaswami Ayyangar]

I think I have made out a fairly good case for this reduction and I suggest that this reduction could be made without the slightest inconvenience to the budgetary programme of the Hon. the Finance Member. Sir, I move.

THE HON. MR. G. S. MOTILAL (Bombay : Non-Muhammadan) : Sir, I rise to support the amendment which has been moved by my Hon. friend Sir Gopalaswami Ayyangar. He referred to the Congress Party in the other House and said that he did not understand why the Congress Party did not move an amendment for the deletion of this duty altogether. He is opposed only to its complete deletion. He also referred to the Congress Party,s silence. I am afraid that on this matter his information is not quite correct. The Congress Party in the other House, I understand, did move an amendment for the deletion of the salt duty altogether. Sir, salt, very much like air and water, is a gift of Nature and it has been held by men who are competent to express an opinion that it is required for the health of the people. The consumption of salt in India is, compared to other countries, inadequate. This has been the subject of a long-standing grievance. It comes down from the days of Dadabhoy Naoroji and Gokhale. Similar arguments were advanced by the Treasury Benches in those days, as they have been advanced today, that the incidence of tax per head comes to 4 annas only. I will ask the Treasury Benches to read the illuminating answers which Mr. Gokhale gave on more than one occasion in the Council of those days. I should like to know how many leading countries there are which have got a similar tax on the manufacture of salt. I am not aware of any country which has got such a duty. I do not propose to take up much of the time of the House. I therefere, with these words, support the amendment. If I had my way, I should ask that the whole of it should go.

THE HON. SIR CYRIL JONES (Finance Secretary) : Sir, I should just like to correct a wrong impression, which the Hon. Sir Gopalaswami Ayyangar has, through inadvertence, given the House when he said that I had claimed on my showing that I regarded salt as a fit and proper case for reduction of excise duty. What I said was that there were two important criteria. One was that reduction should be applied to necessities rather than luxuries and the second was that from practical considerations such reduction must be capable of being passed on to the consumer. I had admitted that in the first respect there was a theoretical case for the proposed reduction in the duty on salt. But I followed it up immediately by saying that that was more than washed out by the clear and obvious fact that in the circumstances of the wholesale trade in salt, it would not be a practical proposition for any of that reduction to be passed on to the consumer, and that in all human probability the whole of the 4 annas would merely go into the hands of the whole sale trade. One other argument that has been advanced is that the sum is not after all so very big and that the advancement of development does not stand or fall by it. That may be true in this individual case, but that sort of argument obviously has a limit to it. It is applied unceasingly here, there and everywhere. It is said, the duty on betelnut is small and you can omit ¼ of it. Having remitted the one-fourth, it only costs a little to remit half. Having remitted half, it only costs a little more to remit the whole. The duty on salt is small and you can remit or halve it. The case of the 6 pies post card is the same. In every such individual case it is agreed that the financing of the development programme does not depend upon the revenue involved. But there are obviously limits to which that argument can be pressed. The view of the Government is that, in the circumstances of this country, in order to maintain a revenue system on which you can build a programme of development which will be of material benefit to the masses at large, there must be a tax structure which goes right down to the bottom. The population of this country is very broad-based on a low standard of living. Other countries—and this is my reply to the Hon. Mr. Motilal—who have considerably advanced their social services have a very large super-structure of industry which they can tax for the benefit of the country at large. If in the cirumstances of this country you try and relieve the poor man of all taxation, you will have such a tenuous basis for your tax structure that you would not be able to support in all probability any material developmental programme, especially one which means material outlay on the social services. It is for this reason that the Hon.

the Finance Member has felt a very considerable measure of responsibility for maintaining the fiscal system in being, to hand it over as a suitable basis for future activities of the Government which will follow the present Executive Council. It is not merely because the arrangement has been agreed to between the Finance Member and the Party Leaders that I oppose this amendment. My first and foremost reason is that it is not calculated to achieve the object asked for, it is likely in actual fact to give no relief whatsoever to the poor man; and the government have already given away revenue in other directions to the limit and feel that the concessions they have made are as far as they can go in the circumstances. Sir I must oppose the amendment.

THE HON. THE PRESIDENT (to the Hon. Sir. N. Gopalaswami Ayyangar): Do you wish me to put this amendment to the vote of the House ?

THE HON. SIR N. GOPALASWAMI AYYANGAR: Yes, Sir.

THE HON. THE PRESIDENT: Amendment moved:

"That in clause 2, for the words 'one rupee and nine annas' the words 'twelve annas' be substituted."

Question put: the Council divided:

AYES—12

Askuran, Hon. Sir Shantidas.	Kunzru, Hon. Pandit Hirday Nath.
Ayyangar, Hon. Sir N. Gopalaswami.	Mahtha, Hon. Rai Bahadur Sri Narain.
Chettiyar, Hon. Mr. Chidambaram.	Motilal, Hon. Mr. G. S.
Das, Hon. Mr. M. L.	Row, Hon. Mr. Thirumala.
Das, Hon. Mr. N. K.	Roy Chowdhury, Hon. Mr. Susil Kumar.
Das, Hon. Rai Bahadur Satyendra Kumar.	Surput Singh, Hon. Mr.

NOES—25

Abdool Suttar, Hon. Mr. Abdool Razak Hajee.	Khare, Hon. Dr. N. B.
Assadulla Khan Raisani, Hon. Sardar Bahadur Nawab.	Khurshid Ali Khan, Hon. Nawabzada.
Charanjit Singh, Hon. Raja.	Lal, Hon. Mr. Shavax A.
Chinoy, Hon. Sir Rahimtoola.	Mahomed Usman, Hon. Sir.
Conran-Smith, Hon. Sir Eric.	Menon, Hon. Sir Ramunni.
Dhar, Hon. Mr. S. M.	Mukherjee, Hon. Sir Satya Charan.
Ghosal, Hon. Sir Josna.	Porter, Hon. Mr. A. E.
Gibbons, Hon. Mr. J. M. B.	Prior, Hon. Mr. H. C.
Hissamuddin Bahadur, Brig. the Hon. Sir.	Sobha Singh, Hon. Sir.
Hutton, Lt.-Genl. Hon. Sir Thomas.	Srivastava, Hon. Sir Jwala Prasad.
Jogendra Singh, Hon. Sir.	Sundaresan, Hon. Mr. N.
Jones, Hon. Sir Cyril.	Sukthankar, Hon. Mr. Y. N.
	Townend, Hon. Mr. H. D.

The Motion was negatived.

THE HON. MR. G. S. MOTILAL: Sir, I beg to move:

"That sub-clauses (*e*) and (*f*) (*ii*) of clause 6 of the Bill be omitted."

Clause (*e*) relates to the increase of import duty on silver and clause (*f*) (*ii*) relates to the imposition of a new import duty on gold. The reasons given by the Hon. the Finance Member for levying these duties are stated in paragraphs 54 and 55 of his Budget speech. In short, he says that the Indian prices of gold are out of parity with the world prices and this is due to paucity of imports of gold from outside. The reason which he gives for imposing this duty is, to quote his own words, "to have ready a suitable machinery which will render it unattractive on the part of anyone to indulge in speculation and to hope to reap profits at present levels." He supplements it further by saying that this rate of Rs. 25 per tola will be varied from time to time by notification under the Sea Customs Act in order to attain in an orderly manner a reasonable measure of approximation to world prices.

The Hon. the Finance Member must have relied upon his supposed credulity of the House and on the thinking section outside this House in advancing this special pleading for imposing this duty on gold and silver. We all know too well that the prices of gold and silver are out of parity with the world prices and the causes are that India has not been able to get gold or silver on account of the circumstances which were in play on account of the war. Now that the war has come to an end, normal

[Mr. G. S. Motilal]

circumstances are likely to return, and with the restoration of normal circumstances normal prices of these metals must also return. The prices of other commodities may vary on account of carrying charges and others, but prices of these precious metals vary and differ very little from the world prices if facilities can be afforded and restrictions are removed by Government for these metals coming into this country. Instead of that, what is proposed to be done is to levy an additional duty as high as that of Rs. 25 per tola. The world price, as admitted and stated by the Finance Member, is in the neighbourhood of Rs. 45 per tola and this duty represents 50 per cent. of price of the article itself. I might also point out that the world price of silver is less than Re. 1 per tola and a specific duty of 8 annas per tola is also half of the price of this metal. By all canons of taxation import duty on precious metals is bad and indefensible. Countries, we know, place an embargo on the export of their treasure and these precious metals, but we have not heard of any country having imposed a duty on the import of these metals. Sir, in this country, so far as the poorer people are concerned, whatever little savings they make they hold them either in silver or in gold and they make ornaments of silver or gold for the members of their family. Any other investment is unknown to them. The circumstances have conspired to deprive them of other investments. Government might as well say, as they have been saying, that they ought to invest that money in the Government securities or in industrial script, but they do not understand and do not know Indian conditions. The Government securities are all expressed in the English language. The man in the village is mostly illiterate. That appalling illiteracy is a standing blot on the Government of this country but take its practical effect. How can he at all feel what his security is? One paper to him is as good as any other paper. He cannot understand the difference between them, but he can feel the inalienability of gold and silver. He can realise and perceive their weight. If he has need of money he can easily raise a loan but can he do that with other things? Does he know where the share market is? Does he know what the price of Government security is? He hardly can understand what the Government security is. Well, there are other classes also, that is the wealthier classes in the country. They invest their savings in Government securities, in industrial script and not so much in gold and silver as in diamonds and pearls and other kinds of jewellery. But if you now impose this burden of another Rs. 25 you put a hand into their pockets and deprive them of their legitimate right to possess gold. Prices have been high for a number of years. Again, for various social purposes in India ornaments of silver and gold are necessary. (*Interruption.*) If my friend does not like to listen, he is at liberty to leave the House.

Now if he has to perform those social duties on marriage or other occasions he has to present certain ornamnents to the members of his family, particularly to the daughters, and if he has now to go and purchase it he must pay a higher duty because the fancy of the Finance Member leads him to think that this is the method of regulating the prices of these metals in this country. They are laughed over in all the business circles when they believe that people can accept their statement. If they wanted to raise the prices I can quite understand if the Government said "We want to raise the prices of gold and silver". Then it was a right step to take and to impose a duty, but if you want to bring the prices down to the world level of prices this is exactly what you should not do. If the purpose .

THE HON. PANDIT HIRDAY NATH KUNZRU: What will be the quantity of gold coming into India?

THE HON. MR. G. S. MOTILAL: The Finance Member has said that he expects to get about a crore of rupees—and he says that it is a shot in the dark—the people know that for this shot in the dark they will have to pay dearly.

THE HON. SIR CYRIL JONES: Does the Hon. Member really suppose that even if Government knew what gold was coming into the country during the next year, they would broadcast that fact to the Bombay speculators?

THE HON. MR. G. S. MOTIL AL: Whether they broadcast it or not, they say something which is not correct. This is what they say that it is a shot in the dark Well, let them not say that; let they say: "Well, we do not wish to broadcast it."

THE HON. SIR CYRIL JONES: It is true; we do not know.

THE HON. MR. G. S. MOTILAL: I understood from the interjection that the Hon. Member knew, but did not want to broadcast it.

Then, Sir, as regards those speculators, what have the Government done to stop speculation? Has this measure at all stopped speculation, or has it actually increased speculation? Anyone who knows the conditions will have no hesitation in saying that speculation has been given a fillip by this duty. The prices of these metals have shot up by reason of these duties. It has also given rise to litigation. I received a telegram yesterday that the decision of the High Court had gone in favour of the Board. This measure is not really intended as far as can be seen to bring down the prices. The object seems to be something different. The object is to prevent gold and silver coming into this country so that the Bank of England, which wants to replenish its gold stock, may benefit by it. If that is the object, let the Government tell us so frankly. The same remarks apply to silver.

I do not want to take more time, but there is one point which I cannot miss. Two years ago the Government were selling gold in this country to bring down the prices. The effect of the present measure is obviously the converse of what is stated in the Finance Member's speech. It is therefore necessary that there should be no duty on imports of gold and silver.

THE HON. SIR CYRIL JONES: Sir, half a dozen sentences will suffice to reply to this amendment. First, the laboured way in which the Hon. Mover of this Motion has sought to sustain his case proves its weakness. Secondly the statement that the object of these duties is to prevent gold and silver from coming into the country is a complete canard. Thirdly, there is no justification whatsoever for the assumption which he has made that the natural effect of these duties will be to raise the internal prices of bullion in this country. Fourthly, there is therefore no justification for assuming that these duties are detrimental to the interests of the masses in this country, and therefore, for the reasons which I gave in my reply to the general discussion on the motion for consideration, I must oppose this amendment.

THE HON. MR. G. S. MOTILAL: One word only. Let me make it clear that by varying the duty by notification the Government will only help speculators who have somehow access to the secrets of the Government and who speculate on the basis of it.

The amendment was negatived.

Clauses (*e*) and (*f*) of clause 6 were added to the Bill.

THE HON. MR. G. S. MOTILAL: Sir, I move:

"That in Part I-A of the Schedule, in entry No. 1, for the figures '1,500', the figures '3,000' be substituted."

The effect of this amendment is that the exemption limit for taxation is raised from Rs. 1,500 to Rs. 3,000. I am aware of the fact that unless a man's income is Rs. 2,000 he is not taxed. But a man who has an income of Rs. 2,000 begins to be taxed from the level of Rs. 1,500. For years we have been asking for relief for this lower class of income-tax assessees. In England there are various reliefs which they get. Now the prices of necessities of life are so high that what was worth Rs. 1,500 before cannot be had for less than three times that amount. Thus the lower middle class is hit very hard. I have based my calculation on the report on income-tax revenue accounts on which I have been able to lay my hands; if this amendment is accepted, the relief will amount to about Rs. 67 lakhs. I put a question a few days ago, and I was told that it was not worth the trouble and labour to furnish that information. If I had come by this information earlier, I would not have put that question. For the reasons I have stated, I press my amendment.

The amendment was negatived.

Clause 6 was added to the Bill.

Clauses 7 to 13 were added to the Bill.

Schedule I, Part I was added to the Bill.

Schedule I, Part II, was added to the Bill.

Clause I was added to the Bill.

The Title and Preamble were added to the Bill.

THE HON. SIR CYRIL JONES (Finance Secretary): Sir, I move:

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

THE HON MR. SUSIL KUMAR ROY CHOWDHURY (West Bengal: Non-Muhammadan): Sir, the Finance Member has protested being called a friend of the rich. We do not know whether he is a friend of the rich or a friend of the poor or friend of nobody. What we know is that by a mere stroke of pen he has abolished the E.P.T. altogether with the immediate result that the value of shares of all the big companies have shot up making the rich richer because shares in these companies are not held by the poor people but the rich in large number. Then, Sir, though the war is over for near about a year the Finance Member says there are still 130 controls left. That means there are still 130 sources of corruption left, as control and corruption have now become synonymous, and the Hon. the Finance Member wants us to give supplies to a Government which encourages corruption. Then, Sir, a huge scandal is going on in the Directorate of Disposals behind the screen. We apprehend that we will be told in a few months' time that materials and goods acquired from the U.S. Headquarters in India have all become scraps as they were lying exposed to sun and rain on account of want of storage accommodation. This will surely pave the way for the same goods of British manufacture imported to India at a high cost.

I now come to the point raised by the first speaker on the Finance Bill in this House, the gallant Brigadier about dividing India into Hindu India and Muslim India. I am sure the Hon. Brigadier was not speaking as a representative of the Pathans, for the country and the world would rather take Dr. Khan Sahib or Khan Abdul Gaffar Khan as the representative of the Pathans than the gallant nominated member from the N.W.F.P. who takes pride in calling himself the representative of the Lat Sahib.

I now want to digress a little on politics for politics is in the nostrils of a subject nation and we oppose the Finance Bill on political grounds also. We refuse to give power to impose taxes and the right of expenditure to a Government which is not responsible to the people. I congratulate the Hon. the Finance Member in succeeding to divide the elected members on a communal basis. That has all along been the policy of the British Imperialists in this country. The Finance Member is no exception. That has also been amply proved by the interjections and interpollations by the Hon. the Finance Member in the other House during a discussion following the return of Schedule Caste candidates on Congress tickets and in which the Hon. the Finance Member was the least interested. I am sorry, Sir, the members of my Hon. friend Mr. Hossain Imam's party have this time thrown to the winds all their past profession since 1935 about opposing the Finance Bill emanated from an irresponsible Government. I do not know the reason why. But I suspect it is to gain some political advantages in the hand of the Cabinet Mission in gaining Pakistan. Well, Sir, my friends should know that in spite of their successes in the elections the question of Pakistan is as dead as mutton. The N.W.F.P. has gone against them, Punjab has gone against them, Assam has gone against them and I really do not understand how they can claim Assam in the Pakistan Zone with only 34 % of the populations in the province and by jugglery want to convert minority into a majority. In Sind also their position is not at all hopeful. Now only Bengal remains. But here also there is a story to tell. They are claiming Bengal as a part of Pakistan on the ground of their being a majority on the 1931 and 1941 census. But, Sir, much water has flown in the Bengal rivers since the last census, and I assert with some knowledge, Sir, that if a correct census is taken and I hope it will be taken before the next constitution comes in, and two enumerators, one from each community, are appointed to count the heads of all persons in Bengal including those of women and children, the bubble of Muslims being in a majority in Bengal will prick and the chimera of the Eastern Pakistan will vanish in the air. Sir, I am not saying this without sufficient reasons and the reasons are four in number. Firstly, the Hindu boycotted the census of 1931 and in the last census when the Muslim Government were in power in Bengal, there was manipulation in the census figures. Secondly, during the last Bengal famine in 1943, the deaths among the Muslims were in the proportion of 3 to 1 of the other communities. Thirdly, there has been a large exodus of Muslim population nearly half a million from the Eastern districts of Bengal to Assam and fourthly there has been a large increase in the population in Bengal, a

good majority of whom belong to communities other than Muslim. My friends of the Muslim League will soon find that they are living in a paradise of their own which is far from their goal, Pakistan, and all the support they are now giving to the agents of British Imperialism are wasted and of no use and the Hon. Sir Mahomed Usman, Member of the Council of State, will also be disillusioned very soon.

THE HON. MR. M. L. DAS (Nominated Non-Official): Sir, I had no mind to join today's debate but certain things have been troubling my mind and I don't feel happy without giving expression to these things. That is why I rise at this unusual hour. Whether my friends will have the patience to hear me at the fag end of the day I do not know.

THE HON. THE PRESIDENT: I will allow you only 5 minutes, not more.

THE HON. MR. M. L. DAS: Sir, I am absolutely unfriended here. I belong to the weak kind, also a member who has come by the back door. I have been experiencing here how the loaves and fishes will be distributed under the National Government that is under contemplation. Opportunities to speak are given to the Leaders of groups—only to those who are strong—and those who are weak, are going to be crushed, and they will have no voice. They are not allowed to speak. They cannot give out their mind. That is what I have been experiencing all the time.

Sir, I rise to say certain things at first in connection with the Finance Bill. Last time when I spoke about the Finance Bill, I had to deal with the question of betel nut. It is a tiny little thing. I said that by imposing a tax on this little thing the Government were behaving like a drowning man catching at a straw. That was what I said, if I remember aright.

THE HON. THE PRESIDENT: You have now succeeded.

THE HON. MR. M. L. DAS: That is what I am going to say.

Now, Sir, like a drowning man the Government had to catch the straw and the tiny little thing came to the rescue and the drowning man was saved. The war was won. We were given to understand at that time that this taxation was a temporary war measure. But I find that this year the tax on betel nut is not going to be abolished. The Hon. Finance Member has done his best to effect a reduction in the items which are the essential necessaries of the poor people. My friends on the opposite side have dealt at length with the reduction in kerosene and post cards and many other things. To my mind, though the war is over, the vibration is not yet over. The vibration is still ringing in our ears; and that is why I think the Finance Member has not been able to adjust his Budget in the way that would have satisfied all sections of the people in the country. The Hon. the Finance Secretary has explained his position that it was not possible for him at this stage to adjust the Budget to the satisfaction of all sections. Towards the conclusion of his budget speech, the Hon. the Finance Member while presenting the budget has said that he has raised up the financial structure of the country to the best of his ability and that he is going to make over this financial structure to an Indian Finance Member very shortly. Let us hope that our Indian Finance Member will take up the financial structure that has been built up by an Englishman and let us see how the Indian member will work next year under the National Government if there is a National Government. Now, Sir, I would have been very happy if the tax on betelnut had been abolished. I ask the Hon. the Finance Member and the Finance Secretary to see if they can abolish the tax and adjust the Budget accordingly.

My Hon. friends on the other side have said a lot of things with regard to the National Government that is anticipated. All the Members here have said that the Cabinet Mission has come from England to transfer power. I do not call it a Mission. I call it "the architects of the future destiny of India". Their task is to erect the edifice of India's freedom. There are materials here though incompatible but whether they will find materials suitable to build the national edifice is a question to be thought over. Sir, I am an untouchable, a man of the Scheduled caste, I am a temporary accident here in this House. During the last election campaign Pandit Nehru had been to our place before the election. The Scheduled Caste leader at Shillong somehow managed to have an interview with Panditjee.

[Mr. M. L. Das]

The first question that the Scheduled Caste leader asked Panditjee was "Why don't you take Dr. Ambedkar into your fold ?" And the answer from Panditjee came. "He is a staunch enemy of Congress ; unless and until he tenders an apology we are not going to take him". May I ask the House what sin Dr. Ambedkar has committed ? Is it not his duty as the first man of the Scheduled Caste to lift up his people? To all the hon'ble members here he may be an untouchable. He may an eye sore to you all. But he is our "Scheduled the Great"; we call him so. Now, Sir, however well-meaning an Englishman may be, whatever he does is bad. Whatever Dr. Ambedkar does to uplift his people is bad. The other day in the other House the Hon. the Finance Member said that Rs. 2 lakhs or something like that were allotted to a college at Bombay for the Scheduled Caste. Why should this be grudged ? Our boys are not going to be sent overseas this year, because this money has been diverted to that. I found that in the other House Mr. Govind Malavaiya, son of Pandit Malavaiya, admitted that this grant was going to be given to the submerged section of the community. I lay stress on the word "submerged, down-trodden." It reminds me of one thing. I am the first graduate of my place. When I applied for an appointment I was refused. I was told, Sir, that my appointment would be obnoxious to the 99 per cent. of people because of my caste disabilities. Are these not grievances ? Now, Sir, that Pandit Malavaiya is having a college at Benares and Government is feeding that college. If my information is correct that college have got 88 lakhs or so as a grant from Government. He does not speak of that. He raised protest to the grant to the submerged community. Now, Sir, I find in the Explanatory Memorandum Rs. 4 lakhs has been allotted to Viswabharati at Santiniketan. There is no protest because that college happens to be founded by a Brahmin, Rabi Tagore. The words "Scheduled Caste" sounds something poisonous to the ears.

Sir there is a lot of talk over the question of nationalism and patriotism and National Government and so on. Sir, I remember there was a certain English gentleman, by name Mr. Bentinck, who was the Commissioner of our place. Once he was invited to a newly started school to preside over the inaugural meeting, the idea of the conveners being to secure some grant for the School. When he was presiding every one of the speakers was raising him to the skies, saying that he was a very good man, a fine man, that there was nobody on earth like him and at the same time they were black-painting all the English men predecessors who had served before him—so and so was a bad man, was very unpopular with the public, and did not think any thing about the people—but that Mr. Bentinck was so popular, so on and so forth. Mr. Bentinck remained silent throughout but as soon as all the speakers had finished he said "I have not come here to hear black-painting and the evil things of the English people". Saying this he put on his hat and left the meeting.

6 P.M.

AN HON. MEMBER : Is it not patriotism ?

THE HON. THE PRESIDENT : Will you please finish your speech now ?

THE HON. MR. M. L. DAS : Only one word, Sir. Sir, that is patriotism to me. He was the only isolated figure there but on hearing evil being talked of other Englishmen, his predecessors, he felt for those people and he left the place with a curt remark.

Now, Sir, with regard to nationalism I say one thing. Some time ago, a Chinese young man with a bundle of cloth on his shoulder came to our place. He had a very beautiful figure and we could not make out to which religion he belonged. I wanted to know who he was but he knew neither Hindi nor English just a few broken words in English or Hindi. Then I questioned him "What religion you have". He could not reply. There was a picture of Jesus Christ hanging on the wall in our House and I pointing out to it enquired "Do you belong to his religion". He said

nothing. Then I brought down the picture of Lord Buddha. Even then he did not say anything. Then he realised that I was putting a question with regard to his religion. Then he said to me "I am a Mussalman". Then I said "What a Mussalman ? Why don't you put on a red cap with a tail on your head". He said "No, no a China cap ; not red cap". Now that is nationalism.

Now, Sir, there are trends of talks of unity between Hindus and Muslims. Both are majority communities. Premier Attlee has made the statement that minorities will not be allowed to place their veto on the advance of the majority. It means we will be nowhere. We shall be crushed. We have all along been behaving like worms but we are not going to behave like worms any longer. We won't allow ourselves to be crushed this time.

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : Mr. President, although it is past six o'clock, the speech of my Hon. friend Sir Mahomed Usman compels me to detain the Houses for a while. There was nothing in our proceedings which called for any remarks from him. His intervention was entirely gratuitous and his speech thoroughly irresponsible and mischievous. We have never found him helpful when political questions have been discussed here but he has surpassed himself to day by delivering a speech which is calculated—and I use that word deliberately to sow discord and hatred and to make the task of the Cabinet Delegation impossible. I hear, Sir, that a Member of the Executive Council had the proud privilege of sabotaging the Simla Conference. He quitted his post in June last and my Hon. friend Sir Mahomed Usman, I suppose, aspires to follow in the footsteps of this Member. He has stabbed the Cabinet Delegation and His Excellency the Viceroy in the back.

THE HON. SIR MAHOMED USMAN : How ? Will you tell me how ?

THE HON. PANDIT HIRDAY NATH KUNZRU : If the Hon. Member after having deliberately delivered a mischievous speech does not know how he has been disloyal to the Viceroy and to the Cabinet Mission nothing that I can say will convince him of the inequity of his conduct.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY : It is disloyalty to his Hindu colleagues too.

THE HON. PANDIT HIRDAY NATH KUNZRU : Sir, when asked whether the Hon. Member spoke on behalf of the Government or in his individual capacity he said, " You can think whatever you like ".

THE HON. THE PRESIDENT : Subsequently, he said that he spoke as a Member of this House.

THE HON. PANDIT HIRDAY NATH KUNZRU : I will come to that. Obviously, he would have liked it to be inferred that he spoke on behalf of the Government. Subsequently, however when pressed for a definite reply he said he was speaking as a member of the Council of State. I have no doubt, however, that the impression that will be created by his speech outside this House will be that he was giving expression to the views of the Government of India. I am absolutely certain that my Hon. friend does not represent the views of the Government of India as a whole. If these were the views of the Government of India the Viceroy could be no party to the negotiations which will be carried on by him and by the Cabinet Delegation jointly with the representatives of the various parties and interests.

Sir, my Hon. friend said that the idea of by-passing the Muslim League must be given up if the Cabinet Mission is to succeed. Probably he wanted to tell us what were the views that he expressed when he and his fellow Members of the Council met the Cabinet Delegation recently. If so, he might have contented himself with meeting his co-religionists in the lobby and telling them of his exploits, but to deliver such a speech here is virtually to try to sabotage the Cabinet Delegation's mission. It is an attempt which ought to be condemned by all right thinking men and which ought to receive the attention of the higher authorities.

Sir, the Prime Minister has made the position of His Majesty's Government perfectly clear. He is anxious to protect the rights of the

[Pandit Hirday Nath Kunzru]

minorities. He wants that they should have their due place in any constitution that is framed. But he is not prepared to give them the right to insist on compliance with any demands that they may put forward and make non-compliance with them a ground for obstructing the progress of the country. He has clearly said that while every effort will be made to protect the minorities no minority will be allowed to place a veto on the progress of the majority. This declaration is a perfectly reasonable one. It does not threaten the just interests of any community. All that it does is to recognise that it is not merely the minorities that have rights, but that the majority too is entitled to claim certain rights by virtue of its position.

Sir, the Secretary of State when the Cabinet Delegation met the representatives of the Press the other day, said, with reference to Lord Linlithgow's declaration which my Hon. friend resurrected in order, I suppose to oppose any efforts that may be made by the Cabinet Delegation to bring about a settlement of the Indian constitutional question, that while the promise which the British Government had given would be observed by them in the spirit, its application would change with the changing times. I have no doubt that no one who casts a glance at the international situation who sees how dangerous the position of this country and with it of the whole of Southern Asia and indeed of the Muslim countries which are to the north-west might become should the power of India to protect its interests and safeguard its integrity be weakened, would deny the force of the observation made by the Secretary of State for India. He and his colleagues are asking us to tread the path of peace and wisdom. They want that the transfer of power should be made with the minimum of disturbance and discord. There is no one here, no right minded man who would disagree with that. Sir, you will, I am sure, bear me out when I say that we in this House have shown considerable restraint in dealing with the political situation, because we recognised that the arrival of the Cabinet Delegation here, whose sincerity I for one do not doubt created a new situation and that it would be a disservice to India and indeed to the whole of Asia to do anything to discredit their efforts or make the success of their mission impossible.

I am sorry Sir, that my Hon. friend Sir Mahomed Usman has indulged in a game which should receive our whole hearted condemnation. He will do no good either to his community or to the Muslim countries in Asia by threatening to place obstacles in the way of the Cabinet Delegation and inciting his coreligionists to create trouble. It has been said more than once in this country that if the British Government were to lose this chance of bringing about better relations between India and Britain it would be irretrievably lost. I myself entirely agree with this view. This is the last chance that the British Government have of winning the goodwill of India and settling the political question in such a way as to establish close and fruitful friendship between the two countries. I trust that they will allow nothing that might happen in this country to deflect them from the course that they have chalked out for themselves. I trust that they will not be discouraged by any efforts that might be made by people who call themselves friends of the British but who on crucial occasions try to do the utmost mischief that they can. I hope Sir, that the warning that I have given them though emanating from a humble man, would not be disregarded either by the British Government or by the Cabinet Delegation and that they will resolutely go forward in order to settle the Indian problem once for all so that both Indo-British relations and the international situation might undergo a striking change for the better.

THE HON. SIR MAHOMED USMAN (Leader of the House): Sir, I am not here to answer the imaginary fears of my Hon. friend. I am second to none in my desire to see that the Cabinet Mission succeeds in its work. We all want that they should succeed. But certain members, including my Hon. friend Mr. Thirumala Row, who spoke yesterday gave vent to their views and presented only one side of the question. All that I said was that there was another side to the question as well. I saw from the papers that a Member of the Executive Council submitted to the Parliamentary delegation a memorandum against Pakistan. Not a word was said against it. Again, I find that the same Hon. gentleman has submitted another memorandum to the present Cabinet Mission attacking Pakistan. Again, not a word was said against it.

THE HON. PANDIT HIRDAY NATH KUNZRU ; The Hon. Member can do the same thing, but he should not behave in the manner he did in this House

THE HON. SIR, MAHOMED USMAN : When I refer to the case of the minorities, I cannot at all understand why there should be this agitation.

I said : —

" As explained by the Secretary of State, ' the issue of freedom and self-determination is settled in principle. We have now to work out the means by which Indians can themselves decide the form of the new institutions with the minimum of disturbance and the maximum of speed ".

If you want the minimum of disturbance I pointed out that the best thing would be not to ignore Pakistan, or the Muslim League, but to take them into consideration. As far as Pakistan is concerned, what I have said here is this :—

" The structure of the new constitution, whatever it may be, has to be built on the willing partnership at least of the two great communities—Hindus and Muslims—and that partnership can be in a single union if possible, or in two separate unions, if necessary ".

What is wrong about it ?

I have also said :—

" Even after separation these two great communities will have to work in harmony if chaos is to be avoided. Communal harmony, therefore, is a vital necessity for a united or divided India ".

What is the harm in this ?

I further said :—

" We are still living in critical times. The Cabinet Mission is here to help us but we have also to help the Cabinet Mission by trying to come to a common agreement between ourselves. "

What is the harm in this, I ask ? Why should we not come to an agreement among ourselves ?

THE HON. PANDIT HIRDAY NATH KUNZRU : Nobody objects to that.

THE HON. SIR MAHOMED USMAN : Then what is it you object to ?

THE HON. PANDIT HIRDAY NATH KUNZRU : My objection is, as I have said to the implication of the Hon. Member's statement that unless the demands of his community were accepted, nothing could be done.

THE HON. SIR MAHOMED USMAN : I never said that. I said :—

" The idea of by-passing the Muslim League, which one hears of so often, should be given up if the Mission is to succeed in its task ".

THE HON. PANDIT HIRDAY NATH KUNZRU : What does that mean ?

THE HON. SIR MAHOMED USMAN : After all, the Muslim League could not be ignored—it is you who want the Muslim League to be ignored.

THE HON. PANDIT HIRDAY NATH KUNZRU : Nobody has ever said that it should be ignored but the Muslim League should not hinder the progress of India.

THE HON. MR. ABDOOL RAZAK HAJEE ABDOOL SATTAR (West Bengal: Muhammadan) : We are not a 'minority' community.

THE HON. SIR MAHOMED USMAN : All that I said was—

" The recent elections have shown beyond any shadow of doubt that the Congress and the Muslim League as representing the two great communities are the only two political parties that count. The future of the country lies in the hands of the two great leaders of the people—Mr. Gandhi and Mr. Jinnah ".

You want only Mr. Gandhi and not Mr. Jinnah. The name of Mr. Jinnah may be bitter to you. It is not bitter to me.

THE HON. THE PRESIDENT : I am afraid each Party has misunderstood the other. They have not taken each other in the proper spirit.

(At this stage the Hon. Mr. Thirumala Row rose to speak.)

THE HON. THE PRESIDENT : I shall not allow any further debate on this. You have all had your say yesterday.

THE HON. MR. M. THIRUMALA ROW: When my name is dragged into the controversy, you must give me 5 minutes to explain my position.

THE HON. SIR MAHOMED USMAN: I have not yet finished Sir, My Hon. friend said that Great Britain is pledged to the independence of India. Perfectly right. I wanted to point out that they have also pledged to protect the Muslims and the minorities. What is wrong in this, I ask?

THE HON. PANDIT HIRDAY NATH KUNZRU: Great Britain has given other pledges but it has to make them good.

THE HON. Dr. N. B. KHARE (Commonwealth Relations Member): If Hon. Members speak at the same time we cannot hear anything.

THE HON. MR. M. THIRUMALA ROW: I assure you, Sir, I will not add to the heat of the debate if you allow me five minutes.

THE HON. THE PRESIDENT: I shall not allow Hon. Members to make a debate on this.

THE HON. MR. M. THIRUMALA ROW: In the other House the Finance Bill was debated for 9 days. You simply cut down our time and make us waste our time in holidays.

THE HON. THE PRESIDENT: I am not concerned with the other House.

THE HON. MR. M. THIRUMALA ROW: I am concerned with this important issue at a crucial time.

My name has been dragged into the controversy.

THE HON. THE PRESIDENT: You have said all that yesterday. Though I was not present I found out everything,—what you have said.

THE HON. MR. M. THIRUMALA ROW: Here is a copy of my speech, Sir. There is no occasion for the Leader of the House to bring in my name.

THE HON. THE PRESIDENT: You have had your say in the matter.

THE HON. MR. M. THIRUMALA ROW: Do you put me down from expressing my veiws on the third reading of the Bill?

THE HON. THE PRESIDENT: If you wish to speak on the third reading I will certainly allow yo half an hour. But this is not your speech on the third reading. You are going nto other matters.

THE HON. MR. M. THIRUMALA ROW: I am not going to other matters. You allowed others to go into other matters. My name has been dragged.

THE HON. THE PRESIDENT: I allowed Pandit Kunzru. He said everything that had to be said on the point.

THE HON. MR. M. THIRUMALA ROW: I will not repeat any one of his arguments.

THE HON. THE PRESIDENT: I will not allow the Hon. Member to speak again on the same subject.

THE HON. MR. M. THIRUMALA ROW: The Leader of the House has unnecessarily implicated my name. He said his reply was simply occasioned by my reference to something. Therefore I request you to give me 5 minutes.

THE HON. THE PRESIDENT: I would advise you not to speak again now.

THE HON. MR. M. THIRUMALA ROW: It is not fair to me. I request you again. I assure you that I will not add to the acerbity of the atmosphere. I have made a most reasonable statement with regard to the Muslim League.

(Other Hon. Members rose to speak)

I am on my feet, Sir. My point is this. I have never said that we should by-pass the Muslim League. Here is a copy of my speech. Show me one sentence which either remotely or indirectly or by suggestion says that we should by-pass the League in these negotiations.

THE HON. THE PRESIDENT: I have said that each Party has misunderstood the other Party.

THE HON. MR. M. THIRUMALA ROW : It is a question of public importance. I am speaking on behalf of the Congress here. I must make it clear that there is no question of the one by-passing the other. I have appealed to them. I have said that joint responsibility lies on the shoulders of both the Hindus and the Muslims and every other community, on the shoulders of the leaders of the Congress and of the Muslim League, to see to the achieving of freedom of our country. You may be anxious, but you cannot allay my anxiety in this matter. What I wanted to say is this. The Cabinet Mission has to take note of certain things. The Viceroy has made a statement after the Simla Conference in September 1945 that the situation will be taken into consideration after the elections. That means that people having the backing of the electorate, having the backing of the people at large, will have the authority to present their views before the Cabinet Mission and these views will be accordingly considered. The reason why we want to throw out the Finance Bill is that the present Executive Council consists of people who have been taken from the byways and highways of politics. We have gentlemen with no popular support from any party or group, and such a motley group of *ad hoc* people, with no political affiliation, have been used for their own purpose by this Bureaucracy for the last 5 years and therefore this Executive Council should not enjoy any status before the Commission. I have been noticing from the beginning that whenever the word "Congress" is mentioned here he has been rising and opposing it. He is entitled to his views but I know that certain members are——

THE HON. THE PRESIDENT : You have used very strong language.

THE HON. MR. M. THIRUMALA ROW—*agents provacateur* of the British and they are playing the same game again.

I do not want to reply to the very caustic and ironical remark made by my Hon. friend Sir Cyril Jones that I have enjoyed some oratorical licence. But the economic licence which the British have been enjoying for 150 years is nothing to mine. Rs. 1,500 crores you do not account for. You do not tell us how you are going to give it to us. You show some papers in the Reserve Bank. Don't think I have the privilege of enjoying a little licence in my 800 calories a day. Here are the figures which show that the total food production falls short and that 17per cent. of the people should go completely starving if the present food production is calculated.

When I say that the average life of an Indian is 24 years, does that mean how I can count 45 and how you are 70 ? I have robbed the life of so many children that have died before me. That is the average life. I am rather well fed and look pompous under the normal of about 800 calories. We have been robbing the calories of food from the mouths of poverty-stricken people and we are quite happy.

I want to say once more, Sir, that the Congress is opposed to this Finance Bill on principle and I cannot see any principle which the Muslim League has adopted in going to the lobby of the Government.

THE HON. THE PRESIDENT : You have used very objectionable language in telling the Executive Council members that they are from highways and by-ways of politics.

THE HON. MR. M. THIRUMALA ROW : I have only used the expression used by a British newspaper—highways and by-ways of politics.

THE HON. SAIYED MOHAMED PADSHAH SAHIB BAHADUR (Madras : Muhammadan) : Sir, my Hon. friend Mr. S. K. Chowdhury referred to some disillusionments—some that had already taken place and some that were yet in store for the Muslim League—and he mentioned prominently the case of the Punjab, which, he said, was the pivot of the Muslim League Pakistan demand ; and that in that place, in the very centre of Pakistan, it was a non-League Ministry that has been installed. All that I say is that we do not go by the fact whether the Muslim League is or is not in power in some provinces at present. It is the Governor of the Province who has got to call the Party for forming the Ministry. (*Interruption.*) Let me have my say. I submit, Sir, that the fact that the Muslim League is not in power in any Province is no criterion. The one criterion by which these things have got to be judged is the vote of the electorate and the verdict of the electorate which has been given shows that 95 per cent. are behind the Muslim League and whatever the Muslim League says is the authoritative view of the Muslim nation in India.

[Saiyed Mohamed Padshah]

I was surprised to find that a gentleman like the Hon. Sir Gopalaswami Ayyangar should have made insinuations against the way in which the Muslim League behaved on the Finance Bill. He appeared to insinuate that there was some sort of secret understanding between the Muslim League and the Government This is nothing better than turning the tables. The Muslim League has always carried on its propaganda and agitation quite openly. It has never done anything subterraneously. It does not do anything secretly to gain an advantage over others. The Muslim League has always stood for fair play and judges things on their merits. Even on the Finance Bill, it took its stand on the merits of the case. The Muslim League thought that its duty was not to let go the chance to get relief to the extent of something like 5½ crores. It was a substantial relief to the people and they thought that they should change their attitude. Another fact is that the Finance Bill had not come to the House in a certified form. One fundamental objection which always determined the conduct of the Muslim League had disappeared also. The war is over. The offer of co-operation of the Muslim League in the War effort on a reasonable and respectable basis on honourable terms did not now stand. Because the Government had refused to accept the offer of the Muslim League to co-operate on reasonable and honourable grounds, the Muslim League did not agree to give its support to the Government in financial measures in recent years. The war is over and the Muslim League would not be now justified in turning down the chance and letting the opportunity of reducing the tax burden slip, because, as I said, the Muslim League is not enamoured only of power. It does not want to grab power. It wants power because it wants to help the masses, and when there was a chance to help the masses, the Muslim League did its duty. It is not the view of the Muslim League to refuse to co-operate in useful activities, to help in the alleviation of suffering of the people in the country. Unlike the Congress, Sir, which had refused to co-operate with the Government in trying to fight famine, the Muslim League offered whole-hearted co-operation. What did the Congress do ? The Congress wanted to bargain at the expense of the country. The Congress thought that this was a golden opportunity for them. They said—I mean their conduct on this question made it clear that it is no concern of theirs even if thousands and tens of thousands of people die in the country, all that they want is simply to install themselves in power in the country. That was not really the view of the Muslim League. The Muslim League is actuated by a spirit of real sympathy ; it works for the purpose of helping the masses, of alleviating the suffering, and that is why the Muslim League supported the Finance Bill.

My Hon. friend, the Leader of the House, has defended himself quite effectively. He has really vindicated himself thoroughly. It is needless for me or anybody to say anything to defend him. I just want to say one word in respect of the opporbrium and criticism which my Hon. friend Pandit Kunzru hurled at him. In fact the Hon. the Leader deserves appreciation from everybody who has really the good of the country at heart. What would be the effect of any decision which is come to without taking into consideration the effect of it on the country ? It is not that a decision should be arrived at at once. We have been without this power for so many years ; we can afford to wait for some more time. There is no need for us to hustle. There is no need for us to try and stampede people. We should take care to assure ourselves that a decision is arrived at which will bring peace, tranquillity and harmony in the country. That is the reason, Sir, why the Hon. the Leader of the House wanted to make it perfectly clear that any decision which is come to by the Cabinet should be such as would satisfy all the important elements in the country. If it has got the support of one party, however big that party may be, it will defeat the very purpose for which it is intended. It will be doing a disservice to the Cabinet Mission, to ourselves, to the country, to humanity and to the whole world. Peace and tranquillity is our dire need and we should help the Cabinet Mission to come to a decision which will tend to bring about real harmony and tranquillity in the country.

So, the Hon. the Leader of the House was perfectly justified that if there was to be any constitution which had any chance of success, and which might be expected to be calculated to bring about the desired object, that constitution should be such as would meet the demands, wishes and satisfaction of the important elements

THE HON. THE PRESIDENT: The Motion is :

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

The Question is :

" That this Motion be adopted ".

I think the Ayes have it.

THE HON. MR. M. THIRUMALA ROW: The Noes have it.

THE HON. THE PRESIDENT: I think this is a very frivolous demand, now asking for a division. The Hon. Member knows very well the results of the divisions which we have had.

THE HON. MR. M. THIRUMALA ROW: I strongly protest against the use of the word "frivolous", Sir. I consider it unparliamentary.

THE HON. THE PRESIDENT: I am using the word which is used in the Manual of Rules and Regulations that the President should stop and not take notice of a demand for division, if such demand is of a frivolous nature.

THE HON. MR. M. THIRUMALA ROW: On the Third Reading of the Bill we insist that there must be a division before it becomes law. We want it on the records.

Question put: the Council divided :

AYES—30.

Abdool Suttar, Hon. Mr. Abdool Razak Hajee.
Assadulla Khan Raisani, Hon. Sardar Bahadur Nawab.
Ataullah Khan Tarar, Khan Bahadur Hon. Chaudhri.
Buta Singh, Hon. Sir.
Charanjit Singh, Hon. Raja.
Chinoy, Hon. Sir Rahimtoola.
Conran-Smith, Hon. Sir Eric.
Das, Hon. Mr. M. L.
Devadoss, Hon. Sir David.
Dhar, Hon. Mr. S. M.
Ghosal, Hon. Sir Jogna.
Gibbons, Hon. Mr. J. M. B.
Hutton, Lt.-Genl. Hon. Sir Thomas.
Jogendra Singh, Hon. Sir.
Jones, Hon. Sir Cyril.
Karamat Ali, Hon. Khan Bahadur.
Khare, Hon. Dr. N. B.
Khurshid Ali Khan, Hon. Nawabzada.
Lal, Hon. Mr. Shavax A.
Mahomed Usman, Hon. Sir.
Menon, Hon. Sir Ramunni.
Mukherjee, Hon. Sir Satya Charan.
Padshah Sahib Bahadur, Hon. Saiyed Mohamed.
Porter, Hon. Mr. A. E.
Prior, Hon. Mr. H. C.
Sobha Singh, Hon. Sir.
Srivastava, Hon. Sir Jwala Prasad.
Sundaresan, Hon. Mr. N.
Sukthankar, Hon. Mr. Y. N.
Townend, Hon. Mr. H. D.

NOES—4.

Motilal, Hon. Mr. G. S.
Row, Hon. Mr. M. Thirumala.
Roy Chowdhury, Hon. Mr. Susil Kumar.
Surput Singh, Hon. Mr.

The Motion was adopted.

The Council then adjourned till Eleven of the Clock on Wednesday, the 3rd April, 1946.

COUNCIL OF STATE

Wednesday, 3rd April 1946

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

QUESTIONS AND ANSWERS

Export of Rice

235. The Hon. Raja YUVERAJ DUTTA SINGH: Is it a fact that about 61,797 tons of rice, valued at nearly Rs. 247,00,000 was exported to foreign countries from Calcutta during the period, May-October 1945, according to the daily export list issued by the Calcutta Customs House ? If so will Government State why they permitted this export of rice, in spite of the acute scarcity of rice prevailing in India ?

The Hon. Sir JWALA PRASAD SRIVASTAVA: The attention of the Hon. Member is invited to the reply given to question No. 225 asked by the Hon. Mr. G. S. Motilal on the 29th March 1946.

Allocation of German Shipping

236. The Hon. Raja YUVERAJ DUTTA SINGH: Are Government aware that Great Britain, Russia and the United States agreed at the Potsdam Conference to divide the German merchant fleet equally among themselves with the provision that other Allies should be given appropriate shares ?

(*b*) Have Government represented to His Majesty's Government or taken other suitable steps to secure for India a share of German fleet which has been assigned or will be assigned to England or other Allies, in view of India's splendid war efforts ? If not, why not ?

The Hon. Mr. Y. N. SUKTHANKAR: (*a*) Government are not aware of any such agreement.

(*b*) The question of allocation of German shipping to claimant countries was considered at the Paris Reparations Conference. According to the Agreement reached at that Conference German merchants ships available for distributions as reparations amongst the Signatory Governments shall be distributed among them in proportion to the respective over-all losses of merchant shipping, on a gross tonnage basis, of the Signatory Governments and their nationals through acts of war. A Shipping Committee has been appointed by the Assembly of the Inter Allied Reparations Agency at Brussels to make recommendations concerning the allocation amongst claimant countries including India of German merchant ships available for distribution, and India is represented on that Committee by her delegate to the Agency. India's claim will thus receive due consideration by the Shipping Committee.

Technical Schools started by Government

237. The Hon. Mr. SURPUT SINGH: Will Government state:

(*a*) The number of technical schools started by Government for the production of war materials during the war ?

(*b*) The number of technicians trained in these schools for manufacture of technical goods for the war ?

(*c*) The number of such schools still in existence ?

(*d*) The number of technicians still working in these schools ?

(*e*) The number of Bevin boys employed in these schools ?

(*f*) Whether these schools will be continued now ?

(*g*) What is proposed to be done with the technicians who will be discharged from these schools ?

THE HON. SIR MAHOMED USMAN (on behalf of Industries and Supplies Deptt.): (*a*) No regular technical school was started for the production of war material. Nine training centres were, however, established to supplement the practical training given in Ordnance Factories, and certain workshops or parts of workshops were reserved for the purpose. This was to assist the Ordnance Factories in coping with the great access of work and these centres performed a very important and successful part in this.

(*b*) The majority of the 2,360 Supervisors, Draughtsmen and Estimators and 9,950 skilled and superior semi-skilled workmen trained by the OrdnanceFactories during the war received part of their instruction at a centre.

(*c*) and (*f*). All the centres have been closed. It is hoped to re-open one of them shortly.

(*d*) Nil.

(*e*) Eight Bevin scheme trainees were employed on the training staff of Ordnance Factories and all of them were for some time engaged in giving instructions in a centre.

(*g*) Efforts will be made to find suitable employment for them through the agency of Employment Exchanges. From reports received, however, it seems unlikely that many of them will long remain unemployed.

THE HON. KHAN BAHADUR KERAMAT ALI: May I know whether the technical schools established in India for giving training to military trainees are still in existence ?

THE HON. SIR MAHOMED USMAN: The Hon. Member is asking a question as regards military trainees. I am dealing with a question concerning the Industries and Supplies Department.

THE HON. PANDIT HIRDAY NATH KUNZRU: The Hon. Member is not asking for information relating to the War Department. He is asking for information in regard to the technical schools which were started during the war for the training of technicians.

THE HON. SIR MAHOMED USMAN: I should like to have notice.

PAY OF TEACHERS IN RAILWAY SCHOOLS

238. THE HON. PANDIT HIRDAY NATH KUNZRU: (*a*) Are Government aware that in concluding the General Discussion on the Railway Budget for 1929-30 in the Legislative Assembly Sir George Rainy made the following statement with regard to the pay of the teachers in the Railway Schools :—

"It is our intention that, without waiting for the transfer of the schools, the pay of the existing teachers in the railway schools should be raised to the level prevailing in the province in which the school is situated."

(*b*) Is it a fact that the pay of the teachers in the E. I. Railway High and Middle Schools has been raised to the provincial level in accordance with this undertaking ?

(*c*) Has the salary of the teachers in the schools maintained by the B., B. & C.I. Railway whose management was taken over by the Railway Board on the 1st January, 1942, been fixed in accordance with this policy ? If not, what action do Government propose to take to apply to them from 1st January 1942 the scales of salary in force in the Government schools in Ajmer-Merwara ?

THE HON. SIR ERIC CONRAN-SMITH: (*a*) The reply is in the affirmative.

(*b*) Yes, wherever comparable scales existed.

(*c*) The reply to the first portion is in the negative. As regards the latter portion, the B. B. & C. I. Railway school teachers are eligible for the ex-Company scales of pay in accordance with the terms offered to ex-B. B. & C. I. Railway Company non-gazetted staff taken over by Government on and from st January, 1942, and the question of bringing their scales of pay into line with the scales of pay in force in Provincial Government schools of the Provinces in which they are situated is being examined as part of the general question of postwar scales of pay.

THE HON. PANDIT HIRDAY NATH KUNZRU: Why has not action been taken so far to implement the policy laid down by Sir George Rainy as far back as 1929 ?

THE HON. SIR ERIC CONRAN-SMITH: As my Hon. friend is aware, the policy laid down by Sir George Rainy could only be applied to State-owned Railways. The B. B. & C. I. Railway became State-owned in January, 1942, and it is true that the scales have not been revised between 1942 and now. But, as I have explained, the whole question of revising the scales of pay of school teachers in Railway schools is being examined, and I should add for the information of the Hon. Member, it will come before the Commission which, as he knows, has been set up to examine scales of pay. That Commission will no doubt consider, as a possibility, the policy of bringing the pay of these school teachers into line with the provincial scales.

THE HON. PANDIT HIRDAY NATH KUNZRU: What has this question got to do with the post-war scales of pay, when the policy in regard to the salaries of teachers in Railway schools whose management is taken over by the Government was laid down in 1929 ?

THE HON. SIR ERIC CONRAN-SMITH: I have already explained, Sir, that this Railway only became a State-owned Railway in 1942 and the Railway Administration, although they are aware of the desirability of revising these scales of pay have not thought it advisable to make any change during the war. The question is however, now coming up as part of the general question of the revision of scales of pay.

THE HON. PANDIT HIRDAY NATH KUNZRU: Why should it be dependent on decisions reached in regard to the post-war salaries of Government employees ? Why should not the policy laid down in 1929 have been given effect to between the 1st January 1942 and the end of 1945 ? Why did the Railway Board not carry out that policy ?

THE HON. SIR ERIC CONRAN-SMITH: I thought I had explained that, Sir. Though the Railway were aware of the desirability of some revision, they have thought it inopportune to do so during the war and now that we have reached a position when there is to be a general examination of scales of pay, it seems very logical and I think common sense that these scales should also form part of the general question.

REORGANISATION OF THE CENTRAL SECRETARIAT

239. THE HON. MR. M. THIRUMALA ROW: (*a*) Is it a fact that the existing set up of the Central Secretariat is unsuited to present requirements of the Government of India ? If so, how do Government propose to remedy the situation?

(*b*) Have Government under consideration any reorganisation of the Central Secretariat ? If so, what are the broad lines of the reorganisation in contemplation, with particular reference to their superior staff, and what is the present stage of their investigations ?

(*c*) When is it proposed to bring into force the new organisation ?

THE HON. MR. A. E. PORTER: (*a*), (*b*) and (*c*) Sir Richard Tottenham has been placed on special duty to examine *inter alia* a tentative scheme prepared by a Committee of Secretaries for the reorganization of the Central Secretariat. His report has just been received and after examining it Government will decide upon the nature and extent of reorganization.

THE HON. MR. M. THIRUMALA ROW: How long will it take for Government to take a decision on that Report ?

THE HON. MR. A. E. PORTER: I cannot say that, Sir, I am afraid.

REORGANISATION OF THE CENTRAL SECRETARIAT

240. THE HON. MR. M. THIRUMALA ROW: (*a*) What is the work on which Sir R. Tottenham has been engaged during the last few months ?

(*b*) Has he submitted his report, if not, when is he expected to do so ?

(*c*) When do Government expect to be able to formulate their conclusions on the report, and would they consider the desirability of avoiding the usual method of further reference to committees or sub-committees and reaching quick decisions?

THE HON. MR. A. E. PORTER: (*a*) I place on the table of the House a copy of the terms of reference to Sir Richard Tottenham.

(*b*) and (*c*). His report has just been received. Until the report is examined Government can form no estimate of the time which will be necessary for examination of the recommendations made in it and for necessary decisions on them.

Government will assuredly adopt such a procedure as will in their opinion result in the earliest possible formulation of and action in accordance with decisions upon the report.

THE HON. MR. M. THIRUMALA ROW: With regard to (*c*), does the Report entail further reference to other Sub-Committees and Departmental Secretaries ?

THE HON. MR. A. E. PORTER: As I have indicated in my reply, the best and quickest methods of reaching decisions will be adopted by Government, what those will be we cannot at present say.

Terms of reference of Officer on Special Duty—Sir Richard Tottenham.

(*a*) Organisation of Departments and possible re-allocation of departmental business ;

(*b*) whether, owing to the difficulties reported by the Provincial Governments in lending officers to the Centre and their desire for the return of some of the officers already lent, any early reduction is possible in the number of officers now on deputation from the Provinces ;

(*c*) the question raised in the tentative scheme prepared by a Committee of Secretaries for the re-organisation of the Secretariat system ;

(*d*) question of providing as far as practicable for temporary Government servants who will have to be retrenched now that the war has come to an end, including arrangements for finding them employment in non-Government occupation.

RETURN OF I. C. S. OFFICERS TO PROVINCES

241 THE HON. MR. M. THIRUMALA ROW: (*a*) Is it a fact that Provincial Governments have asked for the return of their I. C. S. men at present on deputation with the Central Government, if so, which are these Governments ?

(*b*) Has the Government of Madras asked for the return of its I. C. S. men of certain seniority, if so, why ?

(*c*) Are Government aware that the need for experienced men of the I. C. S. is greatly felt in the Provinces which are facing the threat of famine ? If so, how is it proposed to assist the Provincial Governments in the matter ?

(*d*) In particular, would Government consider the desirability of returning all Madras I. C. S. officers to Madras in view of the particularly difficult situation confronting the Provincial authorities ? If not, why not ?

THE HON. MR. A. E. PORTER: (*a*) The Madras Government have asked for the return of 10 officers and the Central Provinces and United Provinces Governments for the return of one officer each, before the expiry of existing tenures.

b) The Madras Government asked for the return of certain specified officers who are broadly speaking in the middle years of their service.

(*c*) *First part.*—Yes.

Second part.—The Government of India are closely examining the possibilities of assisting Provincial Governments and have already arranged for the release of 7 Madras officers and 1 United Provinces officer.

(*d*) The Government of Madras have not asked for the return of all Madras Indian Civil Service officers, nor would it be possible to arrange this.

THE HON. MR. M. THIRUMALA ROW: With regard to (*d*), you have said that you are sending back 7 I. C. S. officers to Madras. Are Government then making arrangements to fill those places from the non-I. C. S. cadre of the Secretariat ?

THE HON. MR. A. E. PORTER: No, Sir. At present Government is endeavouring to reduce the number of officers employed in the Central Secretariat.

THE HON. MR. M. THIRUMALA ROW: Does it mean that there is not sufficient work for the existing number of officers ?

THE HON. MR. A. E. PORTER : It may mean, Sir—that some work can be left undone, that certain kinds of work may have to be postponed until the situation in regard to officers is easier. But in the meantime efforts are being made to re-arrange the work so that it can be done with a smaller number of officers.

THE HON. MR. M. THIRUMALA ROW : In view of large development schemes which are foreshadowed in the speeches of Hon. Members, does the Hon. Member agree to the statement that you do not require more officers in the Centre ?

THE HON. MR. A. E. PORTER : I did not say that. What I said was that we were endeavouring at present to re-arrange work so that we can get on for the time being with fewer officers. I think it is quite clear that if you go in for large schemes of development, you require a large number of extra officers.

THE HON. MR. M. THIRUMALA ROW : Do Government feel that the superior staff in the non-I. C. S. are not competent to fill the places of I. C. S. officers vacant now ?

THE HON. THE PRESIDENT : That is a very general question.

THE HON. MR. A. E. PORTER : I do not know, Sir, that that question arises out of this and I am not sure that I know what the answer is. I cannot say either yes or no. You certainly cannot say that non-I. C. S. officers are not competent to do certain work that is done by I. C. S. officers nor can it be said that all work done by I. C. S. officers can equally well be done by non-I. C. S. officers. The question, so far as I am concerned, is almost meaningless.

I. C. S. OFFICERS AT THE CENTRE

242. THE. HON. MR. M. THIRUMALA ROW : Will Government state :

(*a*) The total number of I. C. S. officers from the Provinces on deputation with the Government of India on 1-3-46 ?

(*b*) The number of such officers employed by the Government of India on 1-3-39 ?

(*c*) The quota fixed for each Province ?

(*d*) The actual numbers contributed by each Provincial Government on 1-3-46 ?

THE HON. MR. A. E. PORTER : (*a*) 238.

(*b*) The information asked for is not readily available, but the pre-war quota for each Province is given in the answer to the next clause.

(*c*) and (*d*) The information is as follows :—

	Quota fixed for Provinces	No. contributed by Provinces on 1-3-46
Madras	19	43
Bombay & Sind	17	22
Bengal	20	26
United Provinces	23	44
Punjab	19	45
Bihar & Orissa	13	19
Central Provinces & Berar	9	32
Assam	5	7
Total	125	238

THE HON. RAI BAHADUR S. K. DAS : May I know why there is an excess number from Bengal ?

THE HON. MR. A. E. PORTER : There is an excess number, I am afraid, from all Provinces.

THE HON. SIR N. GOPALASWAMI AYYANGAR : Are these quotas pre-war quotas ?

THE HON. MR. A. E. PORTER : Yes, Sir.

THE HON. SIR N. GOPALASWAMI AYYANGAR: I take it that the increase is due to increased work during the war ?

THE HON. MR. A. E. PORTER: Partly that, Sir, and partly to the increase in the work in the Government of India in any case.

THE HON. MR. M. THIRUMALA ROW: For a quota of 125, 238 officers have been drawn from all the Provinces. Do Government realise that they are depriving the Provinces of their experienced and capable men and rendering the administration of the Provinces more difficult ?

THE HON. MR. A. E. PORTER: We do realise that we would like to get the best men from the Provinces for the Centre and that this really deprives them—if you put it that way—of a certain number of qualified and experienced officers and we also recognise that it puts the Provinces possibly to certain difficulties.

THE HON. SIR N. GOPALASWAMI AYYANGAR: Isn't it a fact that the Government of India do not recruit to the I. C. S. for their own jobs ?

THE HON. MR. A. E. PORTER: That is a fact and that is why a quota is fixed. Each provincial cadre includes a number for deputation some of whom are supposed to come to the Centre, and those are the figures which I gave: these total 125.

THE HON. SIR N. GOPALASWAMI AYYANGAR: If that proportion was properly fixed, there need be no depletion of the number of officers required for provincial work ?

THE HON. MR. A. E. PORTER: That, I think, is so.

THE HON. MR. M. THIRUMALA ROW: Is there a statutory obligation for every province to contribute a certain quota of their I. C. S. officers for Central services ?

THE HON. MR. A. E. PORTER: I think it can be said to be a statutory obligation, because the number of officers allotted to a particular province includes provision of a certain number whom the Government of India can claim from the province for central administration in Delhi.

THE HON. MR. M. THIRUMALA ROW: In view of the fact that popular Governments are being set up in all the provinces, will the Government of India consider the desirability of discharging all these officers who are being demanded by the provinces and recruit for their own requirements from among the staff they have got already here from the non-I. C. S. cadre ?

THE HON. MR. A. E. PORTER: I cannot answer that question off-hand. It is a large question, of which I require notice.

I. C. S. OFFICERS AT THE CENTRE

243. THE HON. MR. M. THIRUMALA ROW: Will Government state:

(*a*) the usual period of tenure of I. C. S. officers from the Provinces serving with the Central Government ?

(*b*) The number of officers (by Departments separately) who have been kept on, since 1921, beyond the originally intended period of deputation, and the reasons for so doing ?

(*c*) Will Government consider the desirability of returning these officers to their respective Provinces at a very early date, if not, why not ?

THE HON. MR. A. E. PORTER: (*a*) The tenure of posts under the Government of India is as follows:—

Secretaries, Additional Secretaries and Joint Secretaries . . .	5 years
Deputy Secretaries	4 years
Under Secretaries	3 years

(*b*) The information is not readily available and I do not think that I should be justified in undertaking the heavy task of collecting it.

(c) I assume that the question is intended to refer to officers now serving in the Government of India in posts for which their original tenure has been extended. The extent to which it is possible to return to their respective Provinces such officers (as well as officers whose tenure has not yet expired) is already under close examination by the Government of India, and every effort will be made to reduce the demand made on the Provinces to the minimum necessary to prevent a breakdown of the central administration in any sphere.

THE HON. MR. M. THIRUMALA ROW: Is it a fact that there is some difference in emoluments and amenities between officers who are employed by the Central Government and those who are employed by the Provincial Governments ?

THE HON. MR. A. E. PORTER: I think it can be generally said that an officer on deputation to the Centre ordinarily gets a higher pay than he would in his province. The rates of pay for instance, of Secretaries, Joint Secretaries and Under Secreataries are higher than they are in provinces.

THE HON. MR. M. THIRUMALA ROW: Does it not create an inducement for officers never to return to their provinces but some how manage to remain at the Centre ?

THE HON. MR. A. E. PORTER: That does not rest with the officer himself: to prevent it is the object of the tenure system.

THE HON. MR. M. THIRUMALA ROW: Is it a fact that one officer has been here for 22 years and has never returned to his province ?

THE HON. MR. A. E. PORTER: I do not know. If the Hon. Member will give me his name, I will enquire.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY: If a Deputy Secretary becomes a Joint Secretary and then becomes Secretary, he can be here for 15 years, 5 years in each office ?

THE HON. MR. A. E. PORTER: He might. But I do not think it has happened recently.

TRIAL OF PERSONS FOR COLLABORATION WITH THE JAPANESE

244. THE HON. MR. M. THIRUMALA ROW: (a) Is it a fact that a number of Indians are being prosecuted in the Andamans for collaboration with the Japanese ? If so, what is the number ?

(b) Are there any lawyers in the Andamans to defend these people ? If not, do Government propose to see that proper arrangements are made for their defence ?

THE HON. MR. A. E. PORTER: (a) No, but 16 persons will be tried on charges of offences against the ordinary criminal law committed during the Japanese occupation.

(b) There is one law graduate in the Andamans who will be engaged if necessary for the defence as Crown counsel. Upon production of each accused before the court he will be asked whether he wishes to engage counsel or to be defended by counsel provided by the Crown: in the first alternative an adjournment will be allowed to secure the attendance of the lawyer selected by the accused who, if willing to accept the case will be given facilities to proceed to the Islands and conduct the defence.

RESTRICTIONS ON COAL BRICK-BURNING

245. THE HON .RAI BAHADUR S. K. DAS: (a) Do Government propose to remove all restrictions regarding booking of brick-burning coals from collieries to all brick-manufacturing centres throughout the country ?

(b) If the answer is in the affirmative, will they take steps accordingly ?

(c) Are Government aware that in the absence of any such steps most of the brick-manufactures are stopped and the labourers skilled in the manufacture are without work ?

(d) Will Government state the action they have taken or propose to take for giving all facilities to the brick-manufacturers ?

THE HON. SIR MAHOMED USMAN (on behalf of Industries and Supplies Department) : (*a*) and (*b*) No, Sir. Coal for brick burning cannot be dealt with independently of coal for other purposes, and so long as coal control is necessary to ensure supplies to essential consumers such as railways, control over despatches for brick burning purposes must continue.

(*c*) Government have not received any complaint except from the Bengal Brickfield Owner's Association about the stoppage of brick manufacture due to inadequate coal supplies.

(*d*) Government are fully aware of the importance of ensuring adequate supplies of coal for brick burning purposes and have already taken and will continue to take steps to ensure maximum despatches. From October 1945, to the middle of March 1946, 301,000 tons were despatched including 38,000 tons of surplus Army coal, as against 32,000 tons in the corresponding period last year.

SOFT COKE ADMISSIBLE TO INFERIOR SERVANTS AT THE CENTRE

246. THE HON. MR. V. V. KALIKAR : (*a*) Will Government state the quantity of soft coke admissible to the inferior servants of the Government of India, and the price at which it is supplied to them ?

(*b*) Whether the quantity admissible to them is sufficient to meet their requirements ?

(*c*) Is it a fact that the soft coke is not being supplied to the bachelor and single persons of the inferior staff ?

(*d*) Is it a fact that the inferior staff get more charcoal and firewood than soft coke ?

(*e*) Do Government propose to increase the quota of soft coke for the inferior servants according to their requirements ?

THE HON. MR. A. E. PORTER ; (*a*) and (*c*) Half a maund monthly. This is allowed to bachelors and single persons as well as to men with families but only to those inferior Government servants who, on electing to participate in the scheme, originally asked for an allocation of soft coke. Its present price is Rs. 1-10-9 per maund.

(*b*) and (*d*) The quantity is not enough for a month's requirements but the allotment was made on their own option and in view of the limited supplies available, it can be supplemented (within the total allowed) by purchases of charcoal or firewood or both.

(*e*) The limited supply of soft coke available has not hitherto rendered this possible.

THE HON. SAIYED MOHAMED PADSHAH SAHIB BAHADUR : Are Government aware that charcoal is about 2½ times as costly as soft coke and do not Government therefore consider that by giving them a larger quantity of charcoal they are denying them the use of soft coke which would be within their means to buy ?

THE HON. MR. A. E. PORTER ; The price of soft coke is certainly very considerably less than the cost of charcoal. I am afraid I did not catch the second part of the question.

THE HON. SAIYED MOHAMED PADSHAH SAHIB BAHADUR : Are not the Government aware that on account of the fact that charcoal is very much more costly than soft coke to give them a larger quantity of charcoal would be to deny these low paid staff the use of soft coke which is within their reach and that they are not able to purchase charcoal and they are not able to utilise the quantity which is allotted to them.

THE HON. MR. A. E. PORTER : I do not know about that. But it is a fact that it would be more economical if they were able to get a larger amount of soft coke. Hitherto the limited supplies have not made it possible to do that. The allotment of soft coke or permission to buy soft coke was given upon an enquiry conducted, when the scheme came into effect, with the object of finding what people used coke and those people who actually did so and elected to get soft coke were permitted to have soft coke.

THE HON. SAIYED MOHAMED PADSHAH SAHIB BAHADUR: Isn't the fact patent on the face of it, since charcoal is 2½ times as costly, it will not be possible for the low paid staff to go in for charcoal and they must of necessity deny themselves the use of charcoal?

THE HON. MR. A. E. PORTER: I do not know that that is so. We have had no complaint.

THE HON. MR. HOSSAIN IMAM: May I suggest that the quota allowed to richer people be reduced and the quota of these poor men be increased?

THE HON. MR. A. E. PORTER: I note the suggestion.

HOUSE-RENT ADMISSIBLE TO INFERIOR SERVANTS AT THE CENTRE

247. THE HON. MR. V. V. KALIKAR: (*a*) Will Government state the house-rent admissible to their inferior servants?

(*b*) Are they aware of the increased population, exorbitant house-rent and scarcity of house accommodation in Delhi?

(*c*) Whether they are responsible for providing free house accommodation to the inferior servants, if so, have they provided?

(*d*) Will Government state whether it is possible to rent a house for the amount of the house-rent admissible to the inferior servants? If not, will Government consider the desirability of increasing their house-rent?

THE HON. SIR CYRIL JONES: (*a*) House-rent allowance at the rate of Rs. 3 p.m. is admissible to all Central Government inferior servants (excluding sweepers and Bhisties) employed in Secretariat Departments, attached and subordinate officers at Delhi who are not provided with rent-free quarters.

(*b*) Yes.

(*c*) and (*d*) Government have not accepted responsibility for providing residential accommodation for all their employees. To assist inferior servants, free residential accommodation is provided as far as possible and house-rent allowance is granted to help them to secure other accommodation when government accommodation is not available. Government will consider the suggestion to increase the allowance.

INCLUSION OF SPECIAL PAY FOR PURPOSES OF PENSION

248. THE HON. MR. V. V. KALIKAR: (*a*) Is it a fact, that the Government of India have allowed special pay to some of their staff according to the nature of duties and work?

(*b*) If the reply is in the affirmative, will they state whether the benefit of the special pay is admissible to the staff at their retirement, if so, to what category?

(*c*) If the reply is in the negative, will Government state the reasons therefor?

(*d*) Do Government propose to consider that in future pension should be calculated on salary including the special pay?

THE HON. SIR CYRIL JONES: (*a*) Special pay is granted for a specific addition to the work or responsibility of a Government Servant.

(*b*) Special pay is counted towards pension in all cases.

(*c*) and (*d*) Do not arise.

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 a copy of the Bill to give Hindu married women a right to separate residence and maintenance under certain circumstances, which was passed by the Legislative Assembly at its meeting held on the 2nd April, 1946.

ELECTION OF MEMBERS TO STANDING COMMITTEES

THE HON. THE PRESIDENT: Hon. Members, with reference to the announcement made on the 26th March, regarding elections to certain Committees I have to announce that the following Hon. Members have been nominated for election to the following Committees:—

1. Standing Committee for the Home Department:—
   1. The Hon. Pandit H. N. Kunzru.
   2. The Hon. Mr. Hossain Imam.
   3. The Hon. Mr. Khurshid Ali Khan.
   4. The Hon. Mr. Surput Singh.

There are 4 candidates for 4 seats and I declare them duly elected.

2. Standing Committee for the Labour Department:—
   1. The Hon. Mr. N. K. Das.
   2. The Hon. Mr. S. K. Roy Chowdhury.
   3. The Hon. Sardar Bahadur Sir Sobha Singh.
   4. The Hon. Mr. H. D. Townend.
   5. The Hon. Hajee Syed Muhammad Husain.

There are 5 candidates for 5 seats and I declare them duly elected.

3. Standing Committee for the Department of Agriculture:—
   1. Flt./Lt. the Hon. Rup Chand.
   2. The Hon. Sir K. Ramunni Menon.
   3. The Hon. Sardar Bahadur Sir Sobha Singh.
   4. The Hon. Khan Bahadur Keramat Ali.
   5. The Hon. Mr. Surput Singh.

There are 5 candidates for 5 seats and I declare them duly elected.

RESOLUTION *RE* ENTRY OF INDIANS INTO KENYA—*contd.*

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern: Non-Muhammadan): Mr. President, I had just time to move the Resolution that stands in my name on the last non-official day. I hope you will permit me now to make a few observations in support of the various parts of this Resolution relates to three questions of vital interest to the Indians in East Africa.

There is, first, the question of the removal of all restrictions, direct or indirect, on the entry of Indians into Kenya. Then comes, Sir, the question of the recent re-organisation of the Executive Council of Kenya, in connection with which a non-official European, who is a member of the settler community, has been placed in charge of a portfolio and lastly there is the question of the inter-territorial organization proposed by His Majesty's Government for legislation on questions of common interest to the East African dependencies and in certain cases for their common administration also. I shall take up these questions in the order in which they are mentioned in the Resolution.

It is well known, Sir, that the Indians in East Africa and for the matter of that in other Colonies have never claimed any special advantage for themselves which might be to the detriment of the permanent population of the Colony concerned. They have only asked that they should be allowed to live on a footing of equality with the other races. The right of Indians to live as self-respecting citizens of East Africa was questioned about 25 years ago by the European community of Kenya. An agitation was set on foot in order to press His Majesty's Government to transfer control over the Government of Kenya to the representatives of the settler

community. An agitation was also set on foot in order to restrict Indian immigration into that Colony. Both these questions were set at rest by the Kenya White Paper, which was issued in July 1923. It was stated then by His Majesty's Government that:—

" In the administration of Kenya, His Majesty's Government regard themselves as exercising a trust on behalf of the African population and they are unable to delegate or share this trust, the object of which may be defined as the protection and advancement of the native races. "

Not content with the enunciation of a general principle, the Government went further and said :—

" His Majesty's Government cannot but regard the grant of responsible self-government as out of the question within any period of time which need now be taken into consideration. Nor, indeed, would they contemplate yet the possibility of substituting an un-official majority in the Council for the official majority. "

This pronouncement, Sir, has been taken to mean that His Majesty's Government were not prepared to take any step which would directly or indirectly strengthen the claim of the British settler community in Kenya to the control of its Government.

The next question on which His Majesty's Government gave their considered decision was that of immigration. " It may be stated definitely," they said, " that only in extreme circumstances could His Majesty's Government contemplate legislation designed to exclude from a British Colony immigrants from any other part of the British Empire. Such racial discrimination in immigration regulations, whether specific or implied, would not be in accord with the general policy of His Majesty's Government, and they cannot countenance the introduction of any such legislation in Kenya." The question was, in their opinion, to be decided in the light of the economic interests of the applicants. But as no information was available in 1923 to show the number of immigrants following any particular occupation that could be absorbed by Kenya, they said :—

" It will therefore be an instruction to the Governor of Kenya to explore the matter further on his return to the Colony, and in concert with the Governor of Uganda, to submit proposals to the Secretary of State for the Colonies for giving effect to that amount of control of immigration which the economic interests of the natives of both Dependencies require. "

I am not aware that any action was taken in pursuance of this decision to place any restriction on Indian immigration till the war broke out. Action was, however, taken during the war to pass a regulation relating to the immigration of male persons into Kenya, Uganda and Tanganyika, under the authority conferred on these Colonies by the Parliamentary statute known as the Emergency Powers Defence Act, 1939, as amended by subsequent enactments. Because of these regulations, no one could enter the Colonies that I have named without an entry permit, and it was laid down that certain classes of persons were exempt from the necessity of obtaining permits for re-entry. Among these categories were persons normally resident in the Colony who were absent from it, provided that such persons had not been absent from the Colony for more than two years.

Sir, when the contents of these regulations came to be known in India, a great deal of dissatisfaction was created and the matter was debated in the House in April, 1944. The Government of India were then assured by the higher authorities that these regulations would be of a temporary character, and, as they were of general application, that is, applied to all non-native races, the Government of India gave their consent to the passing of the regulations. It is unfortunate that the Government of India have no representative of their own in Kenya or in any other East African Dependency who would keep them informed of the trend of developments there and of the views and sentiments of the Indian community. Serious exception was taken by the Indian community to the provision that persons normally resident in these Colonies who had been absent from them for more than two years should obtain permits before being entitled to go back to them. Through the efforts of the Government of India this restriction was subsequently relaxed. Certain other administrative provisions were also made in order to remove the complaints of the Indian community. But they were never fully removed. In any case, the chief complaint of the Indian community that there is an immigration law on the statute books of the Colonies mentioned by me which, though general in its nature, is meant to apply in practice to the Indian community, has not been remedied.

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I need not go into the reasons which were given to justify the passing of the regulations I have referred to. All that we are concerned with is that, although the war is over, the regulations complained of are still in force. When the Governor of Kenya returned to Kenya after his recent visit to London, he is reported to have said that the Defence regulations pertaining to immigration would be repealed as soon as demobilization was completed, which was expected to be some time in June or July next, and that it was proposed to introduce into the East African Legislative Councils an Immigration Bill which "in its nature would not follow the Defence regulations". This announcement created some hope in East Africa. But the recent speech of Mr. Creech Jones, Under Secretary of State for the Colonies, at a meeting of the Fabian Society, dashed this hope to the ground. I shall read out to the House an important passage from this speech :

"The problem of Indian immigration into East Africa is very thorny, but we have had to face it, and have hammered out a policy concerning which there will be an announcement shortly. There is enormous opposition among the Africans to Indian penetration, for they argue that their position is increasingly prejudiced by Indian initiative and they hope that Indian activities can be curbed to their advantage. This raises considerable feeling in India and the Indian group in Kenya is too much actuated by Indian policy instead of adjusting itself to East African life."

Now, Sir, the Indians in East Africa take strong exception to this pronouncement, and I am sure that this House too will wholeheartedly condemn this unwarranted pronouncement which is utterly one sided. The opposition to Indian immigration into Kenya is of long standing. It has been engineered by the Europeans who have always pretended that they wanted to restrict Indian immigration in the interests of the indigenous inhabitants. It has always been said, whenever this question has been raised, that the Africans themselves desire that Indians who entered into competition with them should be prevented from coming to their country. But one would like to know whether the hut tax and the poll tax and other similar measures that are in force in order to compel the African labourer to work on the European plantations have been passed in the interests of the Indians. One would like to know whether the Africans want European immigration into Kenya or any other colony. Sir, if the matter had been impartially investigated it would have been found that the feelings between the Indians and the Africans were quite cordial. The Indians, by always insisting on the doctrine that African interests must be given the first place in the administration of Kenya and that Kenya should be regarded primarily as an African country, have done a great deal to protect the interests of the Africans and prevent them from falling under European domination. The House can easily imagine what would have been the position not merely of the Indians but of the Africans also had East Africa become a Dominion like South Africa. We need have no doubt that East African policy would have been the same as that of South Africa and the Africans are well aware of this. Though they are not free to express their views there is no doubt that they recognised the great service rendered to them by the Indian community by opposing the demand of the European community to be made masters of Kenya.

Another question that arises in this connection is, "what are the grounds on which His Majesty's Government think that the immigration of Indians into Kenya is detrimental to the interests of the Africans ?" It was contemplated in 1923 that an inquiry should be made into the capacity of Kenya and Uganda to absorb more people but so far as I know, no such inquiry has been carried out and although the number of Indians is greater today than it was 20 years ago, they are, I understand, on an average more prosperous than they were before, and what is more, their prosperity has not interfered with the progress of the African community. Apart from this, Sir, schemes for the development of Kenya are under consideration. Development schemes are under consideration in the colonies too. Who can, therefore say how many new immigrants into Kenya or Tanganyika or Uganda can be allowed. For the Under Secretary of State for the Colonies to deliver a speech of the kind that he did before the Fabian Society is to do the greatest injustice to the Indian community and to commit the Labour Government to the pursuit of an anti-Indian policy on absolutely in adequate grounds. I am sure, Sir, that it will be recognised that this is opposed in spirit to the policy laid down by the Labour Government in 1930. Sir, this is an important matter which should receive the immediate

attention of the Government and I think the least that they can do is to demand that any Bill which would affect Indian immigration before being introduced into the Kenya Legislative Council, or for the matter of that in the Legislative Council of any other East African dependency should be sent to them for an expression of their views.

Sir, I have referred in my Resolution to the restrictions placed on the entry of Indians into Kenya. Those restrictions apply to the other East African colonies also. But I have referred to Kenya because, if the restrictions are removed there, there need be no doubt whatsoever that they cannot exist in any shape or form in any of the other colonies.

Sir, I shall now pass on to the second part of my Resolution which deals with the recent re-organisation of the Executive Council of Kenya. After the war, the Government of Kenya considered what steps should be taken to re-organise the administration of Kenya which would be more in accordance with its post-war needs. The opening paragraph of the Sessional Paper No. 3 of 1945, which deals with this subject summarises the main questions that the Government considered in this connection as follows :—

" The Government of Kenya has been engaged for some time on the study of the organisation which will be necessary if it is to meet efficiently and expeditiously the complexity of post-war conditions and the present problems of development and reconstruction. The conclusion has been reached that two things are needed : (*i*) a reorganization of the machinery of Government and (*ii*) a means of bringing to the difficult tasks of peace the confidence and collaboration between Government and public which have made possible the remarkable achievements of the Colony in war. "

Now, Sir, the collaboration between the Government and the public, which the sessional paper referred to, was not merely between the Government and the European community but also between Government and other sections of the Kenya public. One would have thought, therefore, that the Kenya Government would desire to bring into existence a new administrative machinery which would enable it to receive the co-operation, in an increasing measure, not merely of the Europeans but also of the Indians and Africans. But, as a matter of fact, the re-organisation has been entirely in the interests of the British settler community. The main proposals contained in the Government White Paper to which I have referred and which were subsequently debated in the Kenya Legislative Council were that two new portfolios, one dealing with Development and Reconstruction and the other with Agriculture, Animal Husbandry and Natural Resources and Settlement should be immediately created. It was also proposed that a Member of the Executive Council who should be in charge of the portfolio of Agriculture, and it was stated that this Member should be the most suitable Member available for the work in question, whether he be an official or not. It was further proposed that later on the portfolio of Local Government should also be created. When these proposals were discussed in the Legislative Council of Kenya it was feared by the representatives of the non-white races that the Member of the Executive Council appointed to take charge of the portfolio of Agriculture would be a non-official Britisher. They were therefore opposed to these proposals. Indians, Arabs and Africans joined hands in order to protest against them. Nevertheless they have been given effect to. A member of the British settler community in Kenya who is well-known for his anti-Indian views has been appointed to take charge of the portfolio of Agriculture. It is feared that in the near future when the portfolio of Local Government is created another non-official European will be added to the Kenya Executive Council. Now, Sir this is a matter of the most profound concern to the Indian community in East Africa and also to us, whose duty it is to watch over the interests of our countrymen abroad. We have always stood for the principle that ultimate control over the Government of Kenya should be maintained by His Majesty's Government in their own hands and that nothing should be done by them which would hasten the day when the Europeans would enjoy virtually a monopoly of political power there. We cannot therefore view with equanimity a step which is practically a partial reversal of the policy laid down in the White Paper of 1923. We do not know, Sir, where this policy of the increasing association of the British community only with the Kenya Administration will stop. If the process of appointing non-official Britishers as Members of the Kenya Executive Council goes further, the time will

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soon come when the settler community will virtually have the Government of the Colony in its hands or will be able to exert so powerful an influence as to compel the Kenya Government to bow to its wishes on all important matters. Sir, what has been done is in our opinion the thin end of the wedge. It is regarded as a danger signal by the entire Indian community in East Africa, and judging from past experience I am sure that the Government of India will consider themselves bound to offer an uncompromising opposition to the step that has been taken and demand that, if it cannot be retraced, Indians must be associated with the Kenya Government to the same extent to which the Europeans have been.

Sir, it was announced, I think in September or October last, that the Government of India were going to take up the consideration of the more important questions concerning the Indian community in East Africa with His Majesty's Government and for that purpose were going to depute Mr. Pai, Joint Secretary in the Commonwealth Relations Department, to England in order to help Sir Ramaswami Mudaliar to represent their views to His Majesty's Government. Sir Ramaswami Mudaliar has returned to this country. The Government of India should therefore be in a position to tell us what has been the net result of the representations made through him to His Majesty's Government on the questions that we have already discussed. Do His Majesty's Government propose to do justice to the Indian community and to take steps to see that Indians are allowed to live in Kenya, and for the matter of that in every East African Dependency, on a footing of equality with the Europeans? His Majesty's Government have more than once expressed their anxiety to make India a free country. They are well aware of the feelings roused in this country and in East Africa by the measures taken in the past which tended to depress the position of the Indian community. Do they expect a free India to take a step like that which they have recently taken in connection with the reorganisation of the Kenya Executive Council lying down? Can they not see what has been the effect of the step on Indian public opinion and how seriously the treatment of Indians a broad react on Indo-British relations? If they are wise, Sir, if they have any regard for the permanent interests of the British Commonwealth, they will do well to follow a policy which both in the letter and the spirit would retain the trusteeship for the welfare of the East Africans in their hands and give all members an equal chance of political, social and economic advancement.

Now, Sir, I shall pass on to the last part of my Resolution. Till about 1924 there was no connection between the administrations of Kenya, Tanganyika and Uganda. As a result, however, of the Ormsby Gore Commission of 1924 it was decided to hold periodical conferences of East African Governors and responsible officials of various departments to deal with matters of common interest such as communications, taxation and land policy.

The first Governors' Conference was held in 1926, but this was not regarded as enough by His Majesty's Government and Mr. Amery, as Secretary of State for Colonies, appointed the Hilton Young Commission in 1927 to consider the question of closer union between the East African Dependencies. The recommendations of this Commission gave rise to bitter controversy in East Africa as they envisaged in course of time the federation of the East African territories to which the Indians being afraid that the Federation would be dominated by the spirit pervading the European community of Kenya were staunchly opposed. His Majesty's Government then sent Sir Samuel Wilson, Permanent Under-Secretary of State for the Colonies, to East Africa to ascertain what measure of agreement that could be obtained locally on the recommendations of the Commission. They formulated their own tentative conclusions on the reports of the Commission and Sir Samuel Wilson and laid down them before the Joint Select Committee that was appointed, I believe in 1931, to consider the policy which should be followed in future in East Africa. The Joint Select Committee came to the conclusion that the time was not ripe for any far-reaching steps in the direction of closer union, but was in favour of economic co-operation in regard to transport, customs, scientific and technical services and posts and telegraphs. Consequently, before the war, co-operation between the various Colonies was practically restricted

to these subjects. During the war, however, inter-territorial organisations were created to co-ordinate and direct the joint war effort of all the three Colonies and, of the pre-war inter-territorial services. This arrangement, Sir, was open to a serious objection. The defect of the Governors' Conference was that decisions were arrived at on subjects of considerable public interest behind the backs of the public, whose representatives had no opportunity of modifying the measures placed before their Legislative Councils as a result of the agreement arrived at between the Governors at the Governors' Conference. The new proposals made by His Majesty's Government are designed to remove this defect. They have made it clear that these proposals do not involve either political closer union or the fusion of the East African Governments, but they say :—

"It is necessary to establish a constitutional and juridical framework for the inter-territorial services, including a joint Legislature in order to provide an effective means of doing what needs to be done."

In view of this, they have suggested a constitution for the common service which involves (*a*) the setting up of an East African High Commission, consisting of the Governors of Kenya, Uganda and Tanganyika, with the Governor of Kenya as Chairman; (*b*) a Central Legislature; and (*c*) an executive organisation with which in appropriate cases Advisory Boards would be associated. The Legislative Assembly, as the new Central Legislature will be called, will deal with such matters as customs and excise legislation, income-tax, inter-territorial communications and so on. It is proposed that the Assembly should consist of 36 members; 12 officials, or rather ex-officio and nominated and 24 unofficials. There will be six European and six Indian members elected by the territorial Legislative Councils. There will also be six members representing Africans, but they will be nominated by the High Commission as the trustees for African interests. Then there will be two members nominated by the High commission to represent Arab interests and four other members nominated by the High Commission.

It will thus be seen that the new proposals are based on the principle of parity of representation between the three principal races inhabiting Kenya This is a proposal, Sir, that has been proposed for the first time by the British. Government. In view of the fact that certain common services have been established and that there are periodical Governors' Conferences the Indian community of East Africa have come to the conclusion that the arrangement proposed is in principle better than the arrangements that are in force now. They also approve of the principle of equality of representation of all races and have made it clear that they will accept no inter-territorial oragnisation which disturbs this principle in any way. They are anxious that the rperesentatives of the Africans should be Africans themselves. As their own positien in East Africa and the future of East Africa as a whole depends on the maintenance of the doctrine of paramountcy of native interests, they insist that this principle should be scrupulously maintained and are consequently anxious that the African community should be represented by the Africans themselves. They have in this matter the support of the Africans themselves who, at a meeting recently held in Kenya, I believe, have expressed the same view. The Indians further desire, Sir, that this principle of parity of representation should be observed not merely in the Legislature but also in the Advisory Boards that may be established in connection with the inter-territorial services. The British settlers of Kenya, the House will not be surprised to learn, are against the equal representation of the other races with the whites. Their racial arrogance will not allow them to co-operate with others on a footing of equality. They must be masters of East Africa and others must be content with the privilege of carrying out their behests. They do not want a common Legislature for the East African Colonies lest the development of Kenya on racial lines should be impeded. I have no doubt that this Council and the Government of India will consider the position of the Indian community to be perfectly reasonable and will lend them their full support in their just demands.

Sir, I have already exceeded my time. I do not therefore wish to deal with the issues involved any longer. But I shall, with your permission say just this to the Government of India. They are trustees for the welfare of the Indians wherever they may be settled. This is a crucial moment in the history of East

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Africa, and they will be guilty of betraying the interests of their nationals if they do not staunchly stand by them at this juncture. Indeed, I personally feel that the time has come when the Government of India should demand that they should be treated as the administering power for one of the British Colonies in East Africa. Mr. Ramsay MacDonald said years ago that the administration of Kenya should be placed under the Indian Government. I suggest, Sir, that the Indian Government should request His Majesty's Government to have the mandate for Tanganiyka transferred to them. I am sure that this will be in the best interests not merely of the Indian community there but also of the African community, because those distinctions of race and colour which have embittered relations between the various communities in East Africa are foreign to our nature. We, I am sure, will treat the indigenous inhabitants on a footing of perfect equality and set an example which all European powers owning colonies in East Africa will be almost compelled to follow. Sir, I move.

THE HON. THE PRESIDENT: The Hon. Mr. Kalikar will please move his Amendment now. But before he moves it, I want to ask him whether he wants it to be embodied in the Resolution as clause (*d*), or whether it is intended to be embodied only as a sort of conclusion.

THE HON. MR. V. V. KAL KAR (Central Provinces: Non-Muhammadan): I am not putting it in as a clause; it should be an addition to the Resolution itself.

THE HON. THE PRESIDENT: If the Hon. Member wants my advice, I would ask him to embody it as a separate clause (*d*).

THE HON. MR. V. V. KALIKAR: If my Hon. friend Pandit Kunzru is prepared to accept it in that form, I have no objection.

THE HON. PANDIT HIRDAY NATH KUNZRU: All that I want is that these words should be made part of the Resolution. I do not care in what form they are included in the Resolution. If you consider it desirable that they should form a separate clause by themselves, I shall gladly agree to your proposal.

THE HON. THE PRESIDENT: I think so.

THE HON. MR. V. V. KALIKAR: Sir, the amendment that I move runs thus:—

"That at the end of the Resolution the following be added as clause (*d*), namely:—
and that Indians should occupy a position of equality with the non-official Europeans both in the Legislative Assembly and any advisory bodies that may be established.'"

Sir, my Hon. friend Pandit Kunzru has already dealt with this question at very great length. We know the lot of Indians overseas is very miserable. This question was debated in this House and in the other House many times and we made certain demands, that unfortunately the British Government have not yet recognised us as human beings. Recently I read in the papers an answer to a question by a member of the House of Commons, In that answer, given by Mr. Creech Jones, I find that there is an implication that whatever rights the Indians are enjoying at present in Kenya will be impaired, that there will be deterioration in those rights. The White Paper proposals which have recently been announced are opposed even in Kenya by the Europeans led by a gentleman called Lord Francis Scott. I understand that his objection to these White Paper prposals is that he does not want the disloyal Indians to enjoy the same rights as the so-called loyal Europeans in Kenya. (*Interruption*). I do not know. We fought the war for them. We shed our blood, and we helped in winning the victory for Africa, and we are still regarded as disloyal.

Sir, I have further read that in Kenya they are going to settle 500 European families, and the argument advanced for settling these families is that these people are taking their capital and that they are trained men. Well, I put a straight question: Will Indians be allowed to settle in Kenya if they take their capital with them, and if they are equally well trained? Sir, it is no use asking the question. I quite realise my position. I am a slave in this country, and therefore I am not respected anywhere.

THE HON. THE PRESIDENT: Why should you put a condition for immigration?

THE HON. MR. V. V. KALIKAR: I submit that we are now going to be independent in a very, very short time. The Colonial Office at least must recognise that India has also a claim to having her nationals treated in foreign countries as human beings.

My Hon. friend the Mover has already dealt with the White Paper proposals, and so I do not want to take the time of the House. At present the Indian Executive Councillors have not been given portfolios. If you take into consideration the population of Indians, Europeans and Africans, the population of Indians in Kenya is about 38,000—much more than that of Europeans. We developed Kenya. We took our capital there, we built the Uganda and Kenya Railway, we developed agriculture. We were wanted for all these purposes. But, in the matter of giving equal rights with Europeans, we are not treated as human beings. I will draw the attention of the House to the conclusion reached by His Majesty's Government after the second White Paper of 1930.

"The conclusion to which His Majesty's Government have come is at this juncture to leave the constitution of the Kenya Legislative Council substantially unchanged and to retain the official majority. The 11 elected European Members, the 5 elected Indian members and one elected Arab member, together with the 20 official members should for the present remain unaltered and the Councillors, whatever their ways, and whether they are or not Government officials, will of course be on an equal footing as members of the Council and they will in particular be entitled to a proportionate share in the membership of any committee that may be set up."

These are the conclusions of His Majesty's Government and these are the conclusions of a Labour Government. The present Labour Government, more forward and more progressive than the old Labour Government, are bringing proposals in the White Paper which even a moderate man like H. H. the Aga Khan thinks are practically an inroad on the rights and privileges of the Indians. Sir, nobody can say of H. H. the Aga Khan that he holds extremist views. Even he, during his travels in Kenya, Tanganyika and Uganda, has brought to the notice of the Indians there that they should take urgent steps to see that there are no inroads on their rights and privileges. Sir, the opposition of the European settlers there led by Lord Francis Scott seems to me not that they do not want the proposals but they want Dominion status to be established in Kenya. That appears to my mind the reason why the proposals are objected to. Sir, this question was debated in the other House and we were told that the Government of India have not yet formulated their views on these proposals. I hope, Sir, the Hon. Member in charge of Commonwealth Relations Department will tell us today whether the Government of India have formulated their views or not about these proposals and what their views are. Sir, the public in India is entitled to know this. I am quite sure that the Government of India and we will see eye to eye with each other at these things. But we are entitled to know what are the conclusions of the Government of India on the proposals contained in the White Paper. We urge on the Government of India that all these proposals should be scanned carefully, and that the interests, rights and privileges of Indians should be guarded carefully so that there may be absolutely no racial discrimination as regards the conditions of Indians and White settlers there. In fact, I may go to the extent of asking that we should get more representation because ou population is larger. I find from the resolution passed by the meeting of the standing Committee of East African Indian National Congress that they say that equal racial representation be extended also to the membership of all inter-territ orial advisory boards, membership of the Standing Finance Committee and so on. What I suggest is that as our nationals are there they must be put on an equal footing with the European settlers and if the Colonial Office is not prepared to act up to the advice tendered by them, then we must represent to His Majesty's Government that, as suggested by my Hon. friend Pandit Kunzru, the administration should be transferred to the Government of India and we should be responsible for the administration of that territory.

THE HON. SIR DAVID DEVADOSS: That will never happen.

THE HON. MR. V. V. KALIKAR: I know that it will never happen. If we get independence and if we are ready to fight with them, it will happen. We must have guts and courage to fight them. I do not know whether we have guts and courage to fight them.

THE HON. SIR DAVID DEVADOSS : I do not know.

THE HON. MR. V. V. KALIKAR : I have nothing else to say, Sir, except to express the hope that Government will accept the Resolution as amended and will press on the Colonial Office to treat our nationals in Kenya as human beings, having equal rights and privileges with the White settlers.

THE HON. THE PRESIDENT : Amendment moved :

" That at the end of the Resolution the following be added as clause (*d*) namely :—

' and that Indians should occupy a position of equality with the non-official Europeans both in the Legislative Assembly and any advisory bodies that may be established. ' "

The debate will now proceed on the whole Resolution. Hon. Members will remember that this is the last non-official day and we have got many Resolutions to go through. I shall therefore ask them to confine themselves to 15 minutes on the Resolution.

*THE HON. SAIYED MOHAMED PADSHAH SAHIB BAHADUR (Madras : Muhammadan) : Sir, I give my whole-hearted support to the Resolution which has been so very ably moved by my Hon. friend Dr. Kunzru. Sir, as regards the first part of the Resolution, which asks for the abolition of all those restrictions which have been inposed on the entry of Indians into East Africa during the war, I suppose there will not be any two opinions in India. Sir, we know that even from their very inception those restrictions were not at all justifiable. The war was simply taken advantage of by the White Settlers in Kenya and two other territories, Tanganyika and Uganda, to enact measures which though they ostensibly appeared to be non-discriminatory, in effect they actually were to the detriment only of Indians. Even though in reply to the persistent enquiries of the Government of India those East African territories gave assurance that these measures were only temporary and they were meant to be enforced against all non-native population without any partiality, without fear or favour, in actual practice these regulations were simply made an instrument of oppression against Indians alone. The result of it was that though statutorily there was no discrimination, administratively in actual practice there is every discrimination against Indians. Indians were made to go out of East Africa on this ground that their presence was not necessary for war effort, actually the presence of a lot of Indians there was an impediment to the war effort in the territory. In spite of the fact that Indians had offered to co-operate whole-heartedly in the war effort, their offer was rejected and all ways and means were adopted to try and send them out of East Africa ; and on the top of that this Regulation, some time about the beginning of 1944, was enacted which made it compulsory for the residents of those territoties in Africa to have a permit for returning to East Africa in case they had stayed away from the country for more than 2 years, unless their absence for that period could be accounted for by circumstances which were outside their control. You know, Sir, how difficult was the shipping position. The result is a number of Indians, 8,000 to 10,000 or even more, have been away from East Africa and are now unable to go back on account of these Regulations. Again, as I said at the outset of my speech, these Regulations were totally uncalled for, because the one justification which was advanced for enacting these Regulations was the conditions created by the war and the necessity to meet those conditions, and the conditions stated were that on account of the war, on account of war effort, there was shortage of food and also of accommodation. Both these grounds were not quite correct. You know, Sir, as a matter of fact that during these years in which these Regulations were enacted, East Africa was not only self-to countries sufficient in the matter of food but was actually exporting a large quantity of foodstuffs to countries outside East Africa, and so far as the accommodation question was concerned, this was nothing more than a myth, because there was enough of space in East Africa, and also in recent times, before this enactment was passed, new localities had been opened up in East Africa. It is quite obvious that the whole thing was meant only to drive the Indian element out of East Africa, which has been the tendency in Kenya particularly. It is therefore just and proper that the Government of India should bring pressure upon those territories to abolish these

*Not corrected by the Hon. Member.

Regulations and allow Indians to go back without having to obtain any permit for their return to those territories.

Just one word about the policy which the Under Secretary of State for the Colonies enunciated the other day and to which my Hon. friend Dr. Kunzru has made reference. The *raison d'etre* for the adoption of this policy seems to be untenable. The Under Secretary of State Mr. Creech Jones seems to think that there is strong opposition on the part of the Africans against the Indians, against any further increase in Indian immigration into the country. So far as we are aware, we have not known of any such view held by Africans in those territories. There has not been any expression of opposition to Indian immigration or to the question of Indian settlers remaining in the country on the part of the native population in Kenya, Uganda or Tanganyika. If there is any record about the attitude of the natives of those places in relation to Indian immigrants, that record gives evidence which is quite contrary to what Mr. Creech Jones says in his recent speech. I will just refer to what Mr. Andrews says in his publication called the *Indian Question in East Africa* when Mr. Andrews visited the country to find out as to what the opinion of the native element was in those territories as regards the Indian population there, as to whether these Indians who had gone there had only engaged themselves in exploiting the country without any benefit whatever to the native population or to any other elements of the population in that country ; and he has been able to elicit from the native population there through one of the Prime Ministers, Sir Apolo Kagwa, this opinion, Sir :

"That the indigenous inhabitants require the presence of our nationals both from the economic and sociological points of view. The presence of the Indians in East Africa has been extremely helpful both in the economic plan, where they discharge the functions of traders, and artisans, and in the social plan, where they beneficially intervene between the "superior" white community and the native population."

The fact that these people are acting as a liaison between the native population who are looked down upon by the Europeans and the European population with their superiority complex is possibly one of the resaons which is responsible for this anti-Indian policy on the part of East Africa. The reason given in every part of Africa for adopting this anti-Indian policy is that the Indian population has been competing with the White settlers there, that their interests are prejudicial to the interests of the White settlers in more respects than one, that the Indians there have not that high standard of life as the Europeans have and that they on account of their low standard of life are in a position to compete very successfully against, and to the detriment of, the European population in those places. But, Sir, this reason seems to have been kept back by the East African White settlers and they are wise enough now to make out that the presence of the Indian population in these territories is prejudicial to the interests of the natives. That is contrary to facts so far as we know and the facts as they have been disclosed by an expression of opinion on the part of the native elements there.

Now, Sir, a number of Commissions which have been established, for instance the Hilton Young Commission even, have stated in their reports that the presence of Indians in East Africa is really not prejudicial to the interests of the country but that it is necessary—very necessary—that the Indians should be there so that there should be a continuity on their part to develop the economic resources of the country. It has been recognised that much of the prosperity of those territories today is due to Indian enterprise. Even Mr. Winston Churchill also recognised this, Sir, some years ago. He said that it is the Indian who has been responsible to open closed parts of the country in those territories and it is the Indian who has taken a very prominent part in the commercial and economic activities of those territories.

It is, therefore, Sir, but just and fair that the Indians in East Africa should not be persecuted as they are and that they should be allowed to have the same rights and privileges as any other element in the population of those territories and that the least that could be given to them would be a position of equality with the European elements there.

Now, Sir, I would like to say a few words by way of general observation about this kind of crusade against the Indians who are nationals abroad. I think, Sir, it

[Saiyed Mohamed Padshah Sahib Bahadur.]

is high time that something should be done not only with reference to what is being done in India or in East Africa or anywhere else and that a quietus be given to this question once and for all. In this connection, I am glad to say that the Hon. Member in charge of the Commonwealth Relations Department has given an inkling of the direction in which his mind is working. While he spoke at Nagpur some time in the middle of last month he stated, Sir, in reply to an address presented to him by the Chamber of Commerce of the Central Provinces that it was very advisable—I am not quoting or repeating what he actually said ; I am just giving a gist of his speech—to make an appeal to the United Nations Organisation to take up this question and he made a reference in connection with the Asiatic Land Tenure Bill that is now under consideration in South Africa and he was perfectly justified in saying, Sir, that unless the United Nations Organisation took up this matter and settled it once, and for all, there was certainly a menace—and a great menace—to the peace and harmony of the various nations in the world and he stressed this fact that unless this question is tackled the United Nations Organisation would be sure to be defeated in its object to bring about the peace and tranquillity in the world. I am glad, Sir, that the Hon. Member who is in charge of these matters is taking such active interest in this and since he has had the portfolio of the subject under him, Sir, there has been a steady improvement in this connection all along, though due to accumulated disadvantages and handicaps that the department has been working under he has not been able to make ahead to the extent that we would desire him to do, but whatever is possible he has done in this respect. I am sure, Sir, that in conformity with the view that he has expressed he will persist in his view and try to do what he can to bring this matter to the notice of the United Nations Organisation and see that this anti-Indian policy is given a quietus once and for all at least in the British Commonwealth of Nations. This is, Sir, as he said a very great menace to the peace and tranquillity of the country. It is a pity, Sir, that these White settler Colonies have not been able to take a lesson from the last war. They do not seem to have realised that it was this racial prejudice, this arrogance, this superiority complex, which was at the bottom of the last war and which was the cause of the downfall of such a powerful nation as the Germans and if this anti-Indian tendency is allowed to go apace, as it seems to be, without being curbed by the United Nations Organisation, all the efforts that the Security Council is making will end in smoke and this conflict, for which preparations seem to be growing in various parts of the world, this conflict between the white and the coloured races may come much sooner than we expect. That, Sir, is a conflict which everybody who has the interest of humanity, of civilization, at heart would very much wish to avoid.

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 Hon. the Chairman (the Honourable Mr. M. N. Dalal) in the Chair.

FLIGHT-LIEUT. THE HON. RUP CHAND (Punjab: Non-Muhammadan): Sir, my Hon. friend and colleague, Pandit H. N. Kunzru, has studied the problems of Indians in foreign countries so thoroughly by his personal contacts during his recent tours that he is perhaps the best authority on the subject in our country. As a matter of fact, I am looking forward to the day when in the newly constituted National Government, representing all parties, Pandit Kunzru will hold the portfolio as the Minister-in-charge of the Department of Indians overseas. Surely no better choice can be made for this particular department.

Now, Sir, the Resolution moved by the Hon. Dr. Kunzru and amended by the Hon. Mr. Kalikar is one with which hardly any patriotic Indian will differ. It is strange that in an empire which is supposed to be based on the principles of equality, the conditions of entry and living of the millions of Asiatics and native populations should be decided by Kenya. It is also an irony of fate that the Governments in the British Empire, which swear by the principles of the Atlantic Charter, should deny equal rights to Indians.

Sir, Indians are scattered all over the world and quite a number of them are in the Dominions and colonies of the British Empire. But wherever they might be, it is our duty, and that of the Government of India, to protect their interests. Our Countrymen in Kenya did not force themselves on the people of Kenya. They went as labour Settler and have contributed enormously towards the economic life of Kenya. India has gained new strength, new life and new consciousness. She must now be able to look after and safeguard fully the interest of Indians in foreign lands.

All the three demands in Pandit Kunzru's resolution are just and deserve the full support of the House. We want justice between man to man. I strongly feel that His Majesty's Government should back up Indian's rights in other parts of the Empire, but unfortunately it is not so. India's honour must be vindicated in any case and we are here to see that this is done. The charge against the present Government of India is that it is very slow in taking action against governments which adopt anti-Indian policies. For instance, the Government of India recently decided to break off economic relations with South Africa after years of agitation by the Indian community. If this Government were vigilant and active, the authorities in other countries will not readily discriminate against Indians. It is the weak vacillating policy of the present Government which is injuring the cause of Indians overseas. With these words I support the resolution.

THE HON. DR. N. B. KHARE (Commonwealth Relations Member): Mr. Chairman, I think my intervention at this stage may cut short the debate.

Sir, I have listened with great attention to the speech made by the Hon. Mover of the Resolution. The Hon. Pandit Kunzru is a widely travelled gentleman, and he has first-hand knowledge of the difficulties and hardships under which Indians abroad labour. Consequently he has come to be regarded more or less as an expert on these matters, and his views, therefore, command great respect from all quarters. He has given expression to certain fears and apprehensions about Indians abroad in general and Indians in East Africa in particular. I may straightaway tell the House that I share all his fears and apprehensions. I have accepted the responsibility of this office under very difficult circumstances and inherited the legacy of the notorious case of South Africa. I came here with the determination solemnly and sincerely made in my own mind to strive hard and do my best to afford relief to the Indians who suffer great hardships wherever they have gone outside India. I did not come here to eat "double roti": I have come here to this office to fight for that ideal. I believe that Indians, wherever they have stettled down and have adopted that country as their country, should be treated on a footing of complete equality with the local inhabitants there. This is the ideal which I have set before me, and I will continue to fight for it as far as it is ordained for me to fight.

During the course of the debate, some Hon. Members mentioned some of the arguments raised by the European settlers against the Indians who have settled in East Africa. It was mentioned that the Indians are regarded with suspicion by the African population and are not liked by them there. I do not think this argument, whoever uses it, is relevant to the issue at all, because I am sure that the Africans do not regard the European settlers there as angels. It has also been said that Indians get no better treatment in East Africa because they are disloyal. This also, according to me, is quite irrelevant and futile in view of the Cabinet Delegation of His Majesty's Government at present visiting India to negotiate with political parties in India including the Congress High Command. Indians have settled in East Africa long before the British came on the scene. History points that that they have been residing there and also carrying on trade. Zanzibar is referred to as Zangbar in medieval history. I do not think that at that time they were suffering from any disability whatsoever. Whatever that may be, the present position is that Indians, wherever they are settled, suffer from irksome and sometimes insulting restrictions imposed on them and East Africa is no exception. I do not want to labour the point any further and I think it is sufficient to say that these hardships arise from the subordinate status which we enjoy here in our own country. Until that is remedied I do not think there is any real remedy for these hardships. We have no representative in East Africa, as the Hon. Pandit Kunzru has mentioned. But it is a fact that East African Indians themselves are not very keen

[Dr. N. B. Khare.]

to have a representative of the Government of India there. Some time ago a deputation came from those colonies—if I remember aright, from Tanganyika and Kenya—and they tried to impress upon me that to appoint an Agent there will be worse than useless. It is not our fault. We cannot help it. Had there been Agent, we would have been better informed, and informed in time, before anything which is harmful to the interests of Indians could be brought into effect.

Among the various points raised by Pandit Kunzru one important point is about the administration of the colonies in East Africa. He has specifically mentioned that the Government of India should try to get the mandate of Tanganyika transferred to them. I want to assure the House that Government has considered this matter and it will be raised with His Majesty's Government at the proper time.

I need not say anything more with regard to the general remarks made by Pandit Kunzru and others. I now come to the particular issues raised in the Resolution. They are three. As regards the first, namely, restrictions on the entry of Indians into Kenya, the matter was discussed in the House in April, 1944, soon after the promulgation of the Defence Emigration Regulations in March of that year. We went on making representations against the continuance of these Regulations. In fact, we demanded their immediate withdrawal. Unfortunately, the Colonial Governments and the Colonial Office did not accede to our representations. Perhaps it may be due, as I mentioned before, to the constitutional status under which we labour. I hope that as a result of the negotiations which are going on, an interim National Government as conceived by the Political Parties will come into existence soon and all these problems will be solved in the fashion of "Open Sesame". However, as a result of our representations they agreed to give permits freely to Indians who had been normally resident in the colonies even though their period of absence from the colonial homes might exceed two years. We have now been definitely told that these Regulations will be withdrawn about the middle of this year. With regard to the second question—

THE HON. PANDIT HIRDAY NATH KUNZRU: May I interrupt the Hon. Member? The war time restrictions on the entry of Indians into Kenya and other territories will certainly terminate very soon. But what is intended by their Governments is to replace the war time legislation by fresh legislation imposing practically the old restrictions on the entry of Indians.

THE HON. DR. N. B. KHARE: We have not lost sight of this possibility.

THE HON. PANDIT HIRDAY NATH KUNZRU: There is the speech of Mr. Creech Jones which has been brought to the notice of the Government of India by the Indians of Kenya.

THE HON. DR. N. B. KHARE: We are quite alive to it. With regard to the second question raised in the Resolution, namely, the appointment of Indians as Members of the Executive Council, I have to state that we made strong representations against the expansion of the Executive Council of Kenya only to make room for European non-officials to administer certain portfolios. We urged that Indians must have their share in any direct association of non-official representatives with the Executive Council of Kenya, that apart from the question of principle, the addition of 2 non-official Europeans while the Indians had only one representative would be a legitimate grievance for the Indian community and that there must also be some increase in Indian representation in the Council. Unfortunately we have not had any satisfactory reply from the Secretary of State to our representation and I hope that when the interim National Government comes into existence the response will be much better. We are, however, pursuing the matter.

As regards part (c) of the Resolution, the proposal about inter-territorial organisation have been considered by us very carefully in the light of views taken by the local Indian community of their possible effect on their interests. As the Hon. Pandit Kunzru is aware, we have also discussed these proposals at a meeting of the Standing Committee of the two Houses attached to our Department. The Government of India have since formulated their views on these proposals and they have

also forwarded them to His Majesty's Government for earnest consideration. We have welcomed the assurance that the proposals are not intended to be a prelude to any sort of fusion of the three territories. We have also urged that the principle of equality of representation of the Indian community with the European community must be maintained, that representation of the African population must be by Africans and that Europeans should not be allowed to secure any dominance in the new Central Council by being allowed to represent Africans; also that Indians must have an equal share in the various advisory bodies and organisations envisaged in the scheme, and that the Chairman of the High Commission should be appointed from the ranks of non-official statesmen in the United Kingdom. We expect that these precautions will prevent the colony of Kenya securing a position of predominance in the proposed Central constitution.

We have done all that we can so far and we promise we will always keep ourselves alive and alert.

I am also grateful for some compliments paid to me in his speech by my friend Mr. Padshah. I do not know whether I deserve them, but I accept them in all humility.

I am glad to mention that I accept the Resolution as amended on behalf of the Government.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): (to the Hon. Pandit Hirday Nath Kunzru). In view of the fact that the amended Resolution has been accepted by Government, is it necessary to make a speech?

THE HON. PANDIT HIRDAY NATH KUNZRU: I just want to ask one question, Sir.

I asked my Hon. friend the Member in charge of the Commonwealth Relations Department what has been the result of the negotiations carried on behalf of the Government of India with His Majesty's Government through Sir Ramaswami Mudaliar. I understood that Mr. Pai left for England to help Sir Ramaswami Mudaliar in dealing with the questions relating to the restrictions on the entry of Indians into the East African Dependencies and of the re-organisation of the Kenya Executive Council about which I have already spoken. But we have had no information regarding the result of the negotiations. My Hon. friend told the House that he had received assurances that the Defence Regulations relating to immigration which were passed by the East African Dependencies in 1944 will soon cease to operate. But he did not tell us whether he had been assured by His Majesty's Government that no new law would be introduced in any of these Colonies which would mean a re-imposition of the old restrictions. Unless we have this assurance the termination of the war-time legislation can give us no satisfaction. That legislation must end some time or other, because it has been passed, as I said, under the authority of the Emergency Powers Defence Act which has to be renewed annually by Parliament. When the renewal ceases the Regulations passed under it will cease to have effect. No assurance is needed, therefore from His Majesty's Government on this point. What we should like to know is whether they are prepared to say that the position with regard to the entry of Indians hereafter will be the same as it was before the war. I stress this point, Sir, because it appears from the speech of Mr. Creech Jones that the British Government think that the restricted entry of Indians into East Africa will be harmful to the Africans. But there never was an unlimited entry of Indians into East Africa. Anyone who cares to look at the statistics relating to new entrants into Kenya and those leaving it annually would find that in lean years the number of those leaving the Colony has always been greater than the number of new entrants. In other words, Indian immigration into Kenya has adjusted itself to the economic situation prevailing there. Apart from this, as the Government of India know, an Indian member of the Kenya Legislative Council Mr. S. G. Amin was supplied with information extending to 5 years regarding the number of Indians who entered Kenya and left it during that period. Anyone who looks at the figures supplied by the Kenya Government can see that the two sets of figures practically balance one another. There was no net Indian immigration into Kenya I think during the 5 years preceding the passage of the Defence Regulations

[Pandit Hirday Nath Kunzru]

relating to immigration about which so much discussion has already taken place. My Hon. friend Dr. Khare is doubtless aware of all this. He is also aware that a fairly large number of Indians went to Kenya in 1944-45 because of the propaganda carried on by the Kenya Government in this country to persuade Indians to go to Kenya. They wanted Indians there for war-time jobs. They asked the Government of India for help in recruiting men of the type they wanted. As the Government of India was not satisfied with the Kenya Government's policy regarding Indians, it refused to co-operate with it. The Kenya Government then carried on propaganda through the Indian Members of the Kenya Man Power Committee to persuade Indians to go there. They were told that there were Jobs waiting for them and that nobody who went there would be without employment. It was because of this propaganda carried on by the Kenya Government that Indians went there during the war; otherwise few people would have gone there. I should therefore like my Hon. friend to tell us whether he has represented these matters to His Majesty's Government and has received any assurance with regard to them. The termination of war-time legislation by itself cannot give us full satisfaction—

MR. CHAIRMAN (the Hon. Mr. M.N. Dalal): There is a heavy programme on the agenda and the Resolution has been accepted by Government. Bring your remarks to a close.

THE HON. PANDIT HIRDAY NATH KUNZRU: It may have been accepted, but I have a right to ask for information on vital points. This is a matter which interests the whole country and we are entitled to ask for such information as is available.

The other point on which I want information relates to the re-organisation of the Kenya Executive Council. My Hon. friend Dr. Khare said that the Government of India had made the necessary representation but had not received a satisfactory reply. What I should like to know is whether the Government of India are still pursuing the matter or have dropped it. I earnestly hope that they will give no rest to His Majesty's Government till an Indian is appointed as a permanent Member of the Kenya Executive Council. He complained that the inability of the Government of India to make stronger representations was due to our subordinate status in our own country. We hope that our status will soon be much higher and that we shall before long be a free country. I trust therefore that the Government of India will not give up their efforts in this connection and continue to pursue the matter.

THE HON. DR. N. B. KHARE: Sir, I have already said that I shall ever be alert and alive to all these issues. I do not think I am called upon to say anything more than that. As for the specific assurance wanted by my Hon. friend Pandit Kunzru about future legislation, we have not got any such assurance about future legislation. About all the matters raised by him in his second speech I assure the House that we shall relentlessly pursue the matter with His Majesty's Government. Whatever may be the result we cannot help it. For our part we shall pursue the matter.

About the information he wants as to what transpired when there were negotiations between Sir Ramaswami Mudaliar and His Majesty's Government, I do not think that any matter concerning East Africa was raised there—

THE HON. PANDIT HIRDAY NATH KUNZRU: Why was Mr. Pai sent there?

THE HON. DR. N. B. KHARE: It was a visit to discuss the matters arising out of the Soulbury Commission's Constitutional Report on Ceylon.

THE HON. MR. V. V. KALIKAR: Was not Mr. Pai sent there for this purpose?

THE HON. DR. N. B. KHARE: Yes, he was sent for this purpose, and I am sorry to say that His Majesty's Government's attitude has not been very helpful to India. I cannot say anything more than that.

THE HON. MR. V. V. KALIKAR : I had raised a specific point in my speech. I wanted to know from the Government whether they have formulated their views on the White Paper proposals. As long ago as the 5th February, the Secretary to the Commonwealth Relations Department stated in the other House that the Government of India are formulating their proposals. Have the Government of India formulated their proposals on the White Paper proposals and will the Government of India let us know their view about those proposals ?

THE HON. DR. N. B. KHARE : I cannot help feeling that my Hon. friend has not been attentive. I have already said that the Government of India have since formulated their views on those proposals and they have also forwarded them to His Majesty's Government for earnest consideration. Previous to this I have also said that we had discussed all these proposals at a meeting of the Standing Committee of the two Houses attached to the Department and I may tell him that we had discussed the White Paper and all those things in great detail and had formulated our views in accordance with the views expressed by that Committee. More than that I cannot say.

THE HON. MR. V. V. KALIKAR : What I wanted to know was whether the Hon. Member would let this House know the views that have been formulated by the Government of India. I was equally attentive.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) : But he has replied to your question.

THE HON. MR. V. V. KALIKAR : He has formulated views and he has sent those views to His Majesty's Government. We want to know those views.

THE HON. DR. N. B. KHARE : I have nothing to add.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) : It is not necessary to move the original Resolution, I shall only put the amended Resolution to the vote.

Resolution moved that :—

" This Council recommends to the Governor-General in Council to urge His Majesty's Government that—

(*a*) as the war is over the entry of Indians into Kenya should not be subject to any direct or indirect restrictions ;

(*b*) in the reorganised Executive Council of Kenya, Indians should be appointed to hold charge of portfolios to the extent that Europeans are ;

(*c*) in any arrangements made for the establishment of an inter-territorial organisation in East Africa, Kenya should not be allowed to occupy a predominant position ; and

(*d*) that Indians should occupy a position of equality with the non-official Europeans both in the Legislative Assembly and any advisory bodies that may be established. "

The question is that the amended Resolution be adopted.

The Motion was adopted.

RESOLUTION *RE* ELECTION OF THE PRESIDENT OF THE COUNCIL OF STATE

THE HON. MR. M. THIRUMALA ROW (Madras : Non-Muhammadan) : Mr. Chairman, I move the following Resolution :—

" This Council recommends to the Governor-General in Council that the place of the President of the Council of State be thrown open for election by the non-official members of the Council of State and to secure the necessary constitutional changes, before the next session of the Council. "

Sir, the purpose of this Resolution is quite obvious and it does not require any lengthy argument in support of the contention that we have arrived at a stage in the development of this country, politically and constitutionally, when this House as well as its Presidentship has become an anachronism and an event which should have been one of the long past, but still, Sir, in spite of the professions of the British Government, it has not appealed to them, or it has not suggested itself to them, that the power of election should have been conferred long ago on this House as the same

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privilege is enjoyed by the other House. When the constitution under the Montagu-Chelmsford Reforms was inaugurated in 1921 by the Duke of Connaught, the first President, Mr. Alexander Muddiman, was nominated to this House and when I looked back at the proceedings of that session of thisHouse I was amused to read a small sentence from the speech of His Royal Highness the Duke of Connaught while inaugurating this House and its constitution :—

"For years it may be for generations, patriotic and royal Indians haved reamt of Swaraj for their motherlard ".

This was in February, 1921. Although now we have passed a quarter of a century yet this House has been firmly planted at the milestone of 1921 and has not advanced a whit beyond that.

" Today you have beginnings of Swaraj within my Empire".

This was said in February 1921 and now in 1946 we are still in the beginnings of Swaraj. After a quarter of a century we remain where we began.

" and widest scope and ample opportunity for progress to the liberty which my other Dominions enjoy. "

And, of course, applying this last sentence to this House, you and I, every one of us, know it to our cost what widest scope and ample opportunity for progress to the liberty of the people we have been enjoying within the four walls of this House.

Later, Sir Montague Butler was President for a short time and then in 1925 the next President, Sir Henry Moncrieff-Smith, was nominated. After him, in 1933, our present august incumbent in office, our President, Sir Maneckji Dadabhoy was installed on the gaddi of this House. Ever since, he has been carrying on the duties of President that devolve upon him without, I think, any sign of tiresomeness, or old age, in him. He has been the envy of younger men because we do not expect to live so long, or, even if we live so long, so vigorously and full of energy. With all the goodwill that is possible, for a President under the constitution it is not possible to widen the bounds of freedom in this House, constituted as it is, with about 26 nominated members always as a deadweight on the other side, the 32 elected members representing different and varied constituencies and different interests in a country with kaledoscopic interests, many getting tired of having no hope of seeing any new light from this House, many getting very indifferent to the proceedings of this House and absenting themselves for long spells, expect to retain the title of "The Honourable." This House, I tell you, is a fossil of the past which should have been consigned to the limbo of oblivion rather than kept up with artificial respiration from time to time, and to be the President of such a House you require a lot of energy and sense of humour. If, I or anybody else, is placed in that position, I think we can dispose of our work in half an hour owing to the very limited scope of usefulness which that office carries in this House.

But, Sir, the other House can enjoy the privilege of its elected presidentship. After the first President, Sir Frederick White, had been nominated and served his term, Mr. V. J. Patel was elected as President. He was succeeded by Sir Shanmukham Chetty, who was followed by Sir Ibrahim Rahimtoola, and then for a long period Sir Abdur Rahim, because on account of the exigencies of the war, the life of the Assembly also enjoyed an artificial length and now Mr. Mavlankar. They have a choice to express their dissatisfaction on any occasion with the rulings or the conduct of the President by a no-confidence motion. They have a choice of expressing their disapprobation when the President has failed to uphold the liberties and privileges of that House. But this is a place where you have no other choice, except one of meekly, humbly and loyally submitting to the procedure of this House, whether you like it or not. There is no procedure laid down in the rules, as far as I can see, for the moving of a no-confidence motion against the President ; you can only convey to His Excellency the Governor General an expression of your opinion that you have no confidence in the Chair. Nothing more than that. In the year 1946, the constitution of 1921 still holds good. It is really time even for the members of this House, both the nominated and the elected sections combined, to tell the Governor-General in Council : " Let us have, during the short period of the existence of this Council, the luxury and pleasure of having an elected President from our own House and from our own group ". That is the purpose of my Resolution.

I do not want to cast any reflection on anybody as to the way in which business is conducted under the present regime. Still, a nominated President cannot but feel conscious of a sort of gift that has descended on his shoulders from His Excellency, and that consciousness is bound to have an unconscious effect on the temperament and the mind of the occupant of the Chair. And without any prospect of the term of the President, being terminated, if one were to continue in office for decades, this feeling will have a corroding effect on the mind of the occupant of the Chair. All these things will operate in a way that is not conducive to the growth of a democratic atmosphere or to the healthy development of the institutions which we want to foster. It is from this point of view that I have brought this Resolution.

We have now got Provincial Assemblies under the 1935 Act. I just want to take you back for a while to this new Act of 1935, part II of which was enforced in the province, but part I of which has remained in suspended animation for want of agreement under the great statesmanlike leadership of Lord Linlithgow. If that Act had come into force and if Federation had been formed, the composition, the structure, the complexion of this House would have been entirely different and the occasion for this Resolution would not have arisen. I want the Government to accept this Resolution in the spirit in which it is conceived.

I know there is the constitutional difficulty, that in the Act of 1919 they have a provision that the President of the House should be nominated under section 63A of the Government of India Act, 1919 and that you have to get that section amended in Parliament by another Act of Parliament. I have therefore incorporated the words here "and to secure the necessary constitutional changes before the next session of the Council." It would be a one-clause Bill, and it could very well be brought in the Houses of Parliament, if only the Government of India took it into their head to get it changed.

I have said "before the next session of the Council". That only shows my anxiety to put an end to the present state of affairs as soon as possible. It should not be taken as a reflection on anybody. I do not want to cast any reflection on the occupant of the Chair, whatever differences of opinion there might be. My anxiety is that we should have an elected President as soon as possible, and that has induced me to add that sentence there.

With regard to the reference to non-official members of this Council, I have given expression to my fear that the official element has always to act under instructions from an outside authority: they are under an obligation to act that way, and they are not always free to exercise their judgement on the merits of any candidate. That has induced me to incorporate that reference to non-officials in my Resolution.

I want that an elected President from this House should be installed as soon as possible and as long as this House lasts we should have a President elected from among us. With these words, I commend this Resolution for the acceptance of the House.

THE HON. MR. V. V. KALIKAR (Central Provinces: General) Mr. Chairman, the amendment that stands in my name runs thus:—

"(1) That the word 'Non-official' be omitted.

(2) That for the words 'before the next session of the Council' the following be substituted, namely:—

'before the first session of the next Council'."

Sir, I would have been very glad if you, Mr. Chairman, had been with us this afternoon to support my amendment, as the same amendment appears in your name. My Hon. friend Mr. Thirumala Row is very anxious to change the constitution of this House. He has spoken at length about the futility of this House. But, at the same time, Sir, I may bring to the notice of the House the fact that after he finished his work in the Assembly, he stood for election to this House and was elected. I think he was overworked there and wanted some rest, and therefore he got himself elected to this House. That is my impression: I may be wrong.

THE HON. MR. M. THIRUMALA ROW: I wanted the Hon. Member's company.

THE HON. NAWABZADA KHURSHID ALI KHAN: He was not wanted in a popular House.

THE HON. MR. V. V. KALIKAR: I myself have not been able to trace any rule of any parliament or assembly in the world where officials and non-officials have got different rights and privileges so far as membership of the House is concerned. My Hon. friend has referred to the provincial legislatures brought into being under the 1935 Act. In the upper house there are nominated members. In the lower house, too, the ministers who occupy the treasury benches are in a sense servants of the Government. Therefore, the analogy which the Hon. Member gave does not apply in this case. I for one think that every member of the House is entitled to vote for or against any measure brought before the House. We know that the present Government is not a responsible Government. They have to take directions from outside—from Whitehall. But I have not seen non-official members who have been nominated to this House being forced by the Government to vote for them. The Government have a definite policy, and they are guided by that policy. But the non-official members who are nominated to this House are not guided by that policy. That is at least my impression: if I am wrong, my Hon. friends who are non-official nominated members will correct me.

Therefore, I say, Sir, that so long as the House exists, and unless the new Constituent Assembly decides that this House should evaporate in the air, the present position should stand. I do not know why my Hon. friend Mr. Thirumala Row is in such a great hurry about it. He knows that we may have only one more session and after that the House will be dissolved and there will be a new election to this House. I have therefore given notice of this amendment so that, when the next session commences, the House itself and not merely the official or non-official members should elect its own President. I agree with the Hon. Mover so far as the election of the President is concerned. But I do not want him to be in a hurry. There may be difference of opinion on the question whether this House is necessary or not in the future Constitution. Why should the Hon. Mr. Thirumala Row be in a hurry about it? If he wants to abolish this House, he may make recommendations to the Constitution-making body that this House is of no use. He has said in his speech that this House is useless and that it serves no democratic purpose. The Hon. Mr. Thirumala Row should be consistent. He says all these things in spite of his being elected as a member of this House. After his long work in the Assembly he preferred to be elected to this House. That shows that though he may say that this House is useless, he attaches some importance to it. I will request him to wait for some time. It is not a very long time. The next elections will be held probably in November or December or January next, when a new House will come in and then all the Members may be given the right to have a President elected by them. I therefore submit that my Hon. friend should accept my amendment and the amended Resolution should be accepted by the House. Sir, I move.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): Amendment moved:

"(1) That the word 'Non-Official' be omitted.

(2) That for the words 'before the next session of the Council' the following be substituted, namely:—

'before the first session of the next Council'."

The debate will now proceed on the original Resolution as well as the amended Resolution.

THE HON. SIR MAHOMED USMAN (Leader of the House): Has the Hon. Mover accepted the amendment?

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): Are you prepared to accept the amended Resolution of Mr. Kalikar?

THE HON. MR. M. THIRUMALA ROW: Should I accept the amendment at this stage?

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): Not necessary.

THE HON. MR. M. THIRUMALA ROW: I am prepared to accept the amendment if Government are prepared to accept the amended Resolution.

THE HON. SIR MAHOMED USMAN: Sir, I have listened carefully to the speech of my Hon. friend Mr. Thirumala Row. He said that the general complaint was that we did very little work. Though he and I have differed on many questions I am not blind to the good work that he has done in the short time that he has been here. He himself will realise it, I am sure. He referred also to the work which our present President has done in this Council. During the last four years it has been my good fortune, as the Leader of the House, to work with the President and I should like to take this opportunity of paying my highest tribute of respect to the sense of duty and the sense of fairness which our present President has brought to the work of this House. He has been the guardian and protector of every section of this House. I am glad that my Hon. friend Mr. Thirumala Row made it amply clear that his moving this Resolution is in no way a reflection on the work of our present President.

Coming to the Resolution itself, I should like to say, Sir, that this is a matter on which it would not be appropriate for official members to vote one way or the other. But that does not mean that Government will be indifferent to the views expressed by the Hon. Members of this House. On the contrary, Government will accord full consideration to the views expressed in the course of the debate. This is a very important resolution and I would like to leave it to the Hon. the Non-Official Members to decide its fate. I might add, however, that the Resolution is defective in one material respect. So far as I know, there is no legislative body where the President is elected by a section of the House. The President is the guardian of the rights and privileges of the whole House and of every Member thereof. I am glad the amendment proposed by the Hon. Mr. Kalikar seeks to remove this defect. Mr. Kalikar's amendment also clarifies the point as to the time when the proposed change should take place. If the Hon. Mover accepts the amendment, Government will remain neutral. The Resolution as it stands is open to two objections and I cannot allow the Government to be neutral on the Resolution, but if my Hon. friend accepts the amendment of the Hon. Mr. Kalikar, then I shall leave the Resolution to be disposed of by the Non-Official Members.

THE HON. MR. M. THIRUMALA ROW: I am prepared to accept the amendment.

(The Hon. Sir Ramunni Menon rose to speak.)

MR. CHAIRMAN (the HON. Mr. M. N. Dalal): The amended Resolution has been accepted by the Mover of the original Resolution.

THE HON. SIR RAMUNNI MENON: I thought it was understood that other Members would be allowed to express their opinion in the matter.

THE HON. MR. M. THIRUMALA ROW: I should like to reply for one or two minutes.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): You will have a right of reply.

THE HON. SIR RAMUNNI MENON: Am I to understand that the Mover has accepted the amendment?

THE HON. MR. M. THIRUMALA ROW: Yes.

THE HON. SIR RAMUNNI MENON: (Nominated Non-Official): Sir, I recognise with very great pleasure the sincerity of feeling with which the Hon. Mr. Thirumala Row has explained his Resolution. At the same time I think the Hon. Mr. Kalikar has taken the Resolution a little further on the road to practical achievement by insisting that all the Members of this Council should be entitled to take part in the election of the President. I also feel that we are obliged to the Hon. the Leader of the House for explaining the position of the Government. With these three positions in front of me it is with embarrassment that I propose to strike out a way of my own. The Resolution before us relates to a matter of procedure and when we examine this matter of procedure against the general background of the nature, structure and functions of the Council of State, we shall find that the question of procedure sinks into a very subordinate place. That does not mean that it is not important enough for our consideration or action. I do not think anybody has claimed that the Council of State as at present constituted is in full conformity with democratic theory or practice. We all know that it is subject to a very great limitations both in its composition and in its working. What do we find in the Council? We have

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about 56 per cent. of elected members, members elected on a very high franchise, and we have about 44 per cent.—these are rough proportions——official and non-official nominated Members, including Members of the Executive Council who are not elected at all and who are not in any way responsible to the Council. In a body composed in this fashion and constituted in this way I submit it is not at all incongruous to find a provision for filling the office of President by the method of nomination. We all know that changes are impending which will result in a new constitution for India and there can be very little doubt that the future Council of State, if there is going to be a Second Chamber, will be constituted along purely democratic lines, and doubtless a provision will be incorporated in the consitution allowing for the election of a President. I therefore submit, Sir, while we are fully justified in anticipating a democratically constituted Council of State, there is no particular reason, either on account of necessity or urgency, why we should change the existing constitution now. What are the facts ? The Council has been in existence, as the Hon. Mr. Thirumala Row has told us, for a quarter of a century, and I submit, notwithstanding the limitations, and, so to speak, the cramped atmosphere in which it has had to function, that the results achieved are not at all unworthy of a Second Chamber and as regards the President, tribute has been very deservedly paid to him and I am not at all prepared to say as a mere matter of argument whether the method of election is in any way preferable to the method of appointment. That is a question which should be decided on a due consideration of actual experience. I quite admit that sentiment is in favour of election. But, on the other hand, I am not at all prepared to say that recent experience has strengthened the belief in many of us that the method of election is likely to lead to any harmonious feeling. I submit, Sir, that the question of the best method of choosing the President of the Council is one which we may well postpone till the new constitution is framed. Various defects have been pointed out as emanating from the undemocratic constitution of this Council. But I suggest that not in a single one of them can we trace any connection between the evil result and the method of filling the presidential chair. The President, whoever he may be, should be a man who can keep an impartial mind, who can bring to bear on the discharge of his duties an absolute sense of justice and fair-play. *Prima facie* a person of that type should not be a man who owes any allegiance to a Political Party, or for that matter to a Government. But in the circumstances in which we are situated, if the President is to be elected, he is certain to belong to a Political Party. On the other hand, if he is to be nominated, it is quite as likely as not that he would be a nominated member. Those are incidents, inevitable concomitants, of the system as it exists at present ; but there is no ground to suppose ; one method is to be preferred to the other. I feel, therefore, that there is not much in the question of principle. We must judge by the results and the results, as far as I am aware, have been not at all unsatisfactory. If the present constitution has produced results their unsatisfactory nature has no relation whatever to the particular principle that we are now considering. I therefore feel, Sir, that this amendment is neither necessary nor urgent and it is a matter which can be well postponed without any evil consequences till a new constitution for the Council of State is established.

THE HON. MR. V. V. KALIKAR : You oppose the amendment ?

THE HON. SIR RAMUNNI MENON : Yes, I oppose the amendment and the Motion.

THE HON. RAJA CHARANJIT SINGH (Nominated Non-Official) : Mr. Chairman, I am glad the words "non-official" are proposed to be deleted from the original Resolution. The inclusion of these two words would have implied a distinction which I do not think my Hon. friend the Mover of the Resolution meant or desired. Even in the other House there is no such distinction. The rules lay down that the President of the Council is to be appointed by the Governor General from among the members. But the Resolution wants to take away that power from the Governor General and to make the appointment by election. The Resolution as it is worded does not say whether the election of the President would be from among the members only. As the Resolution raises a very important and constitutional point, I should not like to give my silent vote, but would like to put before the House, both

this side and that, my views for their consideration. The whole constitution is being reviewed. I could have thought that the question of selection of the President should well have been deferred for the present. But as it has been raised and the Resolution admitted by the Hon. the President, we have no option but to consider it in all its bearings.

First, let us see how this method of selection by the Governor General has worked so far for the last 25 years or more. I have had the honour of serving in this House since the days of the first Council. I have no hesitation in saying without fear of contradiction that each and every President has carried out his duties in a very impartial manner and has upheld the dignity and privileges of this House in a way which reflects great credit on all the occupants of the Chair. Coming to recent times, the Hon. Sir Maneckji Dadabhoy has been in the Chair for nearly 14 years. Every Hon. Member knows that no President, no matter in which way he was selected, whether by nomination or election, would have occupied the Chair with greater dignity. Sir Maneckji has upheld the traditions left to him by his distinguished predecessors in office, Sir Alexander Muddiman, Sir Montague Butler and Sir Henry Moncrieff Smith. Sir Maneckji has been impartial to both sides of the House and has shown an indulgence to each and every member whether official or non-official, which no one can complain of. I am sorry my Hon. friend the Mover brought in the question of elected *versus* nominated members in his speech. I refuse to believe, Mr. Chairman, that my Hon. friend wishes to deny the quality of sincerity and patriotism to nominated members. This would be a very unjust and uncharitable view to take. I give my elected friends credit for sounder views. Personally I have no doubt that the elected members are as sincere and partriotic as the nominated members—not more. The Hon. Sir Maneckji Dadabhoy himself and some of my other Hon. friends like the Hon. Sir Ramaswami Mudaliar, the Hon. Maharajadhiraja of Darbhanga and the Hon. Sir Jogendra Singh, have been at one time or other elected and later on nominated members or *vice versa*. Surely no one for a moment believes that the change in the method of selection has brought about any change in conscience, sincerity and patriotism. Some of my Hon. friends might be under the impression that selection by bodies other than the Government would bring in the millennium. If so the experience of the past 25 years, I am afraid, does not justify that assumption. On the other hand, selection by constituencies other than the Government has reduced the attendance in the House to a considerable degree. The number of elected members is 32 and that of the nominated, excluding the President, 25. The elected are therefore in a majority of 7. But the division list show that they have never succeeded in getting together more than 20 at the most and that too on very rare occasions, no matter how important the subject under discussion was. Some are inclined to think that this is because the constituencies after the elections are over have no touch with or control over their nominees. Or it may be that a large number of elected members purposely absent themselves because they and their constituencies do not wish to lend their support to some of the resolutions moved by their other colleagues. I do not think their absence is due to the fact that they find other work more important. Had that been so they would have left the work of this house to other and more willing shoulders. Or it may be due to the fact that some Hon. members are under the impression that the Government does not attach any importance to the work of this second chamber, on account of what is rightly or wrongly thought by some to be an evasive and lighthearted manner in which some of the suggestions of the Hon. members are treated. I am afraid I cannot agree with this. It may or may not be correct as regards the personal opinions of some members. Every one, whether elected or nominated, official or non-official, is perfectly entitled to hold any opinion he likes. But surely such an opinion, if it is held by any member cannot be considered the measure of importance which H. M. G. or the Government of India attach to the second chambers. Had it been so, where was the necessity of having this second chamber at all, or for the matter of that of having a second chamber in the mother of Parliaments itself.

As this chamber is constituted somewhat on the model of the second chamber in England, at least as regards its functions, it would be worth considering what is the practice in that House. The Chair in that House is always occupied by the Lord

Chancellor who is appointed by the Government of the day. This practice has been going on for centuries. As far as I know, no Government—Labour, Conservative or Liberal—has ever thought of replacing the Lord Chancellor by an elected President. Only in the House of Commons is the Speaker elected. So is the case in India. The President of the Assembly is elected.

Would we be justified in holding that the past experience of centuries be scrapped and that too at this particular juncture. I cannot see my way to subscribe to this view. In my humble opinion, we should in any case wait and see where we stand in the new constitution which is on the anvil. Moreover, we have no right to bind future Councils to any particular method which may appeal to us but may not possibly appeal to them. (*Applause.*)

*THE HON. MR. HOSSAIN IMAM (Bihar: Muhammadan): Mr. Chairman, I find that whatever be the defects of this Council of State, there is one thing in common with the Assembly: that we are as expansionist as the Assembly. The matter at issue was a very small one—whether the Presidentship should be an elected one or a nominated one—but from the Mover onwards people have indulged in passing remarks on subjects which are not at all germane to the present discussions. If I am also tempted, Sir, I might take an amount of time which you have generously allowed to be 15 minutes, but which I do not think is required on such a small Resolution. I feel, however, Sir, that there is an element of unreality in the situation. While the whole question of the future constitution of India is on the anvil it is rather too small a matter to bother our heads about. Nevertheless, it is a matter in which there is deep interest. I, Sir, do not wish to make any remarks about the occupation of the chair in the past, because on that issue I do not think it is proper that remarks should be made but I do feel that it is not compatible with our sense of dignity to regard that we are incapable of electing our own President. The example which was cited by Raja Charanjit Singh that the House of Lords has a permanent occupant did not take account of the nature of that House. There the whole House is a permanently imposed one. It does not go to the electorate for renewal of its credentials and I do regard it as a great honour that I have to go to my electorate and get my credentials renewed. If I had fulfilled the mandate which had been given to me I can come back again but if I fail I am not likely to come back here, whereas the nominated element has to please a very restricted and very small coterie and as such the Hon. Raja Charanjit Singh will find that even in the 1935 constitution the nominated element has been eliminated for the second Chamber. There is no future for the nominated element whether it be in this House or in the other House. It is because of their conduct and the way in which they have behaved that I think they are being eliminated. I am making these remarks, Sir, without any disrespect to any of my colleagues because it is not only the audience I am addressing I am making a general remark. It is the experience all over the world and especially in India that the nominated element which could have served a very good purpose of representing those interests, those people, who are unrepresented and voicing their difficulties and serving any useful purpose has become a fifth wheel and as such it is meeting with the fate which it deserves.

Sir, I wish to say one word more that I agree with the amendment of Mr. Kalikar because it does not look seemly that the change should be made during the currency of the present Council of State. I was thinking, Sir, that it is quite likely that the future constitution of India, which may be framed, may eliminate the second Chamber but that is no reason why as long as I am in the House I should call it names. If I do not like this House there is no reason for me to remain here. It is wrong in principle to ask to be elected and to come to the House and then to call it names. We have, I do not deny, a great sentimental feeling that I cannot carry a Resolution in this House, but in the last analysis is it any different from the Assembly where you carry your Resolutions. The executive at the moment is irresponsible, is not bound to carry out the mandate and the Assembly can refuse demands which are restored by the Governor General. If after all is said and done this is the fate of the Resolutions—ween our defeated Resolution and the Assembly's carried Resolution.

*Not corrected by the Hon. Member.

If the Government is willing to concede to your desire it is not necessary to carry your Resolution—Government accepts it. If it is not willing to accept it and you carry it in spite of it, as we did once in a blue moon—in the 16 years that I have been in this Council I have only succeeded once.

THE HON. SIR MAHOMED USMAN : Was not a Resolution carried now ?

THE HON. MR. HOSSAIN IMAM : The Resolutions are carried according to your own convenience and with your permission, Sir. I say that inspite of it, if we carry a Resolution it is vetoed. The Viceroy's power of veto is being used here, as it is being used in the Assembly. To me it does not make any difference, although from the viewpoint of sentiment, I do feel it, and therefore I regard the remarks of the Hon. Raja Charanjit Singh as a warning that it is the fault of the elected members, who, after getting a mandate from the people, disregard their duty and do not remain present in the House. I think it is the duty of the Government of the day—especially of the Legislative Department—to see that the provisions of the rules are applied so that habitual absentees do not retain their seats and those seats are declared vacant.

I was saying that this question which we are discussing now is unreal in itself. We have outlived the mandate which we received from our electorate. We are all now practically nominated members, whether on this side or on that side. It is years since our mandate expired. We have been artificially revived on the oxygen of extensions, and it is because of extensions that many of our friends are here. Fortunately I was not one of them. So, the question of nomination is not bad in itself. It is the misuse of nomination which accounts for the unsatisfactory state of things. And when we ask for the right of election, it is no adverse reflection on the occupant of the Chair. It is in keeping with the changed nature, with the changed atmosphere, that we want that in future the Presidentship should be filled by election and not nomination. Sir, I support the amendment.

THE HON. MR SURPUT SING (West Bengal : Non-Muhammadan) : Sir I beg to support the Resolution as accepted in the amended form by my Hon. friend Mr. Thirumala Row. Sir, the reasons for supporting such a change are based on two clear-cut facts. The first is the hard reality that a nominated President supported by a large block of nominated members always overbears the free atmosphere of this House. Secondly, there is the convention that has gained ground elsewhere that it is high time now for an elected President to come and preside over the deliberations of this House also. Sir, this Resolution, as amended, ought to receive the fullest support of all the members, elected and nominated. Let us declare our wishes in the most unequivocal terms about the change we want, and let us see that the Government does accept this Resolution as amended. With these words, I beg to support the Resolution as accepted by the Mover in the amended form.

THE HON. MR. M. THIRUMALA ROW : Sir, since there is not much controversy about the Resolution, I do not want to take up the time of the House. I am always ready to accept the sage advice of my Hon. friend Mr. Kalikar. I know I had not got much experience of this House when I was in the other House. One cannot understand all that happens by merely reading excerpts from proceedings. I have now gained enough experience of this House, having come here and worked as a member. I am not disparaging anybody. I am not calling names. I do not want to do anything of the sort. I am not accustomed to calling names. I merely pointed out the disadvantages under which members were labouring. I am willing to accept the amendment proposed by my Hon. friend Mr. Kalikar. I gave the reasons why I had put in those words in my Resolution, and I am willing to accept the suggestions of my Hon. friend Mr. Kalikar.

With regard to my Hon. friend Raja Charanjit Singh, I do not want to engage in wordy warfare with him, because he has been accustomed to such an atmosphere that it is impossible for his mind to imagine an atmosphere different from that to which he is accustomed. He is made to think all along, all these years, that the Council of state is equivalent to the House of Lords. The House of Lords is a hereditary chamber to which there is no election, and every member should be a Peer. A person has to be created a Lord before he can take his seat in the House of Lords

[Mr. M. Thirumala Row]

And the Lord Chancellorship is the highest judicial office in England to which great judicial dignitaries and legal luminaries aspire. It is not a question of patronage, or of siding with the bureaucracy where there is perpetual opposition from the popular side. The biggest men in England aspire for the office. It is a place of honour in England. Therefore, to bring in such analogies does not look nice in this House. But that is exactly the reason why my suggestion should be accepted. When we go on living in an atmosphere in which some feel that election is inferior to selection and nomination, the time has come when we should rub our eyes and think well of ourselves. I am glad, Sir, that the Government is remaining neutral and allowing the free passage of this Resolution, and I hope—

THE HON. SIR DAVID DEVADOSS: The Government have accepted the Resolution.

THE HON. MR. M. THIRUMALA ROW: Accepted the Resolution, in the sense that they do not block the way. I hope the House will accept it.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): Amendment moved:—

' (1) That the word " Non-official " be omitted.

(2) That for the words " before the next session of the Council " the following be substituted, namely:—

" before the first session of the next Council ". '

The question is that this Amendment be adopted.

The Motion was adopted.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): The question is that the Resolution, as amended, be adopted, namely:—

" This Council recommends to the Governor General-in-Council that the place of the President of the Council of State be thrown open for election by the members of the Council of State and to secure the necessary constitutional changes, before the first session of the next Council."

The Motion was adopted.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): The next Resolution on the Agenda is No. 3, by the Hon. Pandit Kunzru. Government have agreed to give a separate day for the discussion of this particular Resolution. We shall therefore, take up the next Resolution on the Agenda.

RESOLUTION *RE* ENFRANCHISEMENT OF WIVES IN THE QUALIFICATIONS OF THEIR HUSBANDS

THE HON. MR. SURPUT SING (West Bengal: Non-Muhammadan): Sir, I beg to move:—

" This Council recommends to the Governor General-in-Council that (*i*) steps may be taken for the enfranchisement of wives in the qualification of their husbands and (*ii*) persons who acquire the requisite qualifications up to September next may be enlisted as voters. "

Sir, the purpose for which I have brought this Resolution is quite evident on the face of it. What I want is (1) that wives are to be enfranchised on their husbands' qualification for the general election of the Council of State, and (2) that persons who were eligible to be enlisted as voters, but were not enlisted by January last, are to be enrolled as voters, provided they satisfy the qualification required by September next.

Sir, in the provincial Legislature, I speak from experience of Bengal—wives are enfranchised in the right of their husbands, both for the Lower and Upper House elections. The relevant provisions in that respect are to be found in Part IV of the Sixth Schedule, Bengal for the Assembly, and in Part IV of the Government of India Order, 1936 (Provincial Legislative Councils) for the Council. As those provisions, I am sure, will not be disputed, I refrain from reading them out to the House *in extenso*. What I now submit is that the analogy should be extended to the case of wives in respect of Council of State male voters. When the franchise is extended to vast majorities for the Assembly and the Council, there should be every reason for extending the same right to a very small minority, as the number in the case of Council of State will not be very large.

Women in their own rights possessed no franchise so far as this House is concerned till their disqualification was removed by this House only in recent years.

Then, Sir, if the franchise sought for is granted, the electorate will not be far beyond the limits of administrative possibilities, besides, the new franchise will qualify an important section of the community so far debarred from expressing its needs and opinions in the House of Elders. Then, Sir, in enfranchising, a number of women, who by reason of their age, experience and status in life, will bring to bear on the prospective candidates a deeper sense of responsibility as well as awaken political interest among women and make their votes an effective lever, particularly in matters of reforms concerning women and children.

As regards my second point to include as voters persons who have been left out in the electoral roll, which was prepared in great hurry and in a haphazard manner, without sufficient advertisements and circulation, as it was then thought that the general election for the Council of State would take place in next May or June, a lot of people whose cases were *sub judice* in the Income-tax Department from the middle of the last year as well as those people, who had not got their acquittance from Revenue or Agricultural Income-tax authorities in due course, could not get their names entered in the roll that was then being prepared. Most of these people have since then acquired the requisite qualifications to be enrolled as voters. It will, therefore, be an act of sheer injustice to them if in spite of their having acquired the necessary qualification they are to be shut out when the life of the Council itself has been extended till the end of this year.

In conclusion, Sir, I beg to submit that justice, good conscience and fair play impel us to provide franchise to wives on their husbands' qualifications, as done in the case of the Provincial Assembly and Council as also to make persons eligible as voters who would acquire the requisite qualification by the end of September 1946. In the event of my Resolution being accepted there will not arise any insuperable administrative difficulties in giving effect to the recommendations. For the first case a circular letter conveying the acceptance of the Resolution to the different Provincial Governments will introduce the necessary change forthwith and the roll already printed will just have a supplementary list. For the second a timely notification to the Income-tax Department and Collectors of the Districts will bring up the list up to date.

With these words, Sir, I commend this Resolution for the acceptance of this House.

THE HON. SIR MAHOMED USMAN (Leader of the House): Sir, I regret, I am unable to commend this Resolution to this House. As I have pointed out on previous occasions, this is the most inopportune time for attempting any piecemeal alterations in the structure of the franchise qualifications for either Chamber of the existing Central Legislature. Hon. Members are doubtless aware that the present Central Legislature is avowedly on a transitional footing and it would, I submit, be unwise to embark on a revision of the franchise qualifications for the Council of State at this stage.

There are also practical difficulties in the way accepting this Resolution as the electoral rolls for the constituencies of the Council of State have either been revised or are in the process of revision. I therefore oppose this Resolution.

THE HON. MR. M. THIRUMALA ROW (Madras: Non-Muhammadan): Sir, I rise to support this Resolution. I am not able to understand where the difficulty lies in accepting this Resolution. People who have already got electoral qualifications are on the register and if Government permit the registration as voters of the wives of these people who have got qualifications as voters, I do not see where the difficulty comes. That will also be giving an opportunity to a large number of women to come into the register and exercise their vote and take an intelligent interest in the affairs of our country. Government should welcome such an opportunity to encourage our womenfolk to get interested in our public affairs rather than fight shy of it. After all, there is a huge mechanism. I do not think also that this work will devolve on the Central Government. They can give directions to the Provincial Governments and all the Election Officers of the Provincial Governments. Just now there is only one election to be conducted for the Council of State and I do not see any strength in the argument adduced by the Leader of the House. I request the House to accept this Resolution.

THE HON. MR. SURPUT SING: Sir, it is for the Government to accept or reject my Resolution, because in this House it is generally the case that if Government does not like a Resolution, we cannot carry it. My Resolution is a very moderate one. There is no dispute that income-tax proceedings are pending and final assessment has not been made for the last two years in many cases and as such many names have been omitted from the lists. I want their names to be included in the voters' list. Another part of my Resolution relates to the enfranchisement of the wives of the qualified persons. I want their wives to be entered as voters on the qualification of their husbands. If Government has a mind to give franchise to the women, as has been done in the Provincial Assemblies and Councils, it can do so. I ask the Leader of the House to reconsider and if he finds any difficulty in accepting the 30th September, 1946, it may be made the 31st March, or any other date which the Government considers to be convenient and possible.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): Resolution moved :—

" This Council recommends to the Governor General-in-Council that (*i*) steps may be taken for the enfranchisement of wives in the qualification of their husbands and (*ii*) persons who acquire the requisite qualifications up to September next may be enlisted as voters. "

The Question is that this Resolution be adopted.

The Motion was negatived.

RESOLUTION *RE* EXEMPTION OF FOREST INCOME FROM TAXATION

THE HON. MR. V. V. KALIKAR (Central Provinces : General): Sir, the Resolution that stands in my name runs thus :—

" This Council recommends to the Governor General-in-Council to take immediate steps to introduce legislation in the Central Legislature with a view to exclude forest Income from being taxed under the Indian Income-tax Act, 1922. "

Sir, when the 1922 Income-tax Act was being discussed in the Assembly in the year 1922 an assurance was given on behalf of Government by the then Finance member, Sir Malcolm Hailey, that forest income will not be taxed. Rai Bahadur S. P. Bajpai moved an amendment to this effect :

"after clause 2(1) (b)insert the following :

* * * * *

' Provided the piece of land on which the forest grows is either assessed to land revenue in British India or subject to a local rate assessed and collected by officers of Government as such'. "

In opposing this amendment, Sir Malcolm Hailey said—

" I would add that if this point is not sufficiently clear from the Act, I am prepared to make it perfectly clear by executive instructions that if a land-owner grows on his own land, which is assessed to land-revenue, fo rests or trees and derives income therefrom, he will not be assessed on such income. "

After that this practice continued up till 1940. In 1940, I believe, a decision of the Patna High Court made the Government of India change their practice. This was the case of the Province of Bihar versus Maharaja Pratap Udai Nath Sahi Deo, 20 Patna, 699. The facts of the case were that forest income was included under agricultural income and the Bihar Provincial Agricultural Income-tax Act and the Government of Bihar wanted to impose tax on income from forests. The defendants in the case opposed it and it was decided in this case that income from forest is not an agricultural income and from that day, Sir, the Government, I believe, issued departmental instructions to assess forest income and I think in all the Provinces the income-tax department is following the same practice. So far as I know in my province income derived from forest is assessed to income-tax. I would also like to cite the instructions under the Income-tax Manual of 1940. We find under Agricultural income they have included income received by a landowner from the sale of timber or lease of his own land and this income is excluded from income-tax under section 2(1) and section 2(1) (a). In this connection I first thought that the Act should be amended and therefore I tabled an amendment to the Act itself. But the Governor General withheld his consent to this amendment and therefore I have brought in this Resolution. I do not dispute the point that the contractor who purchases forest wood and derives income from it should

be taxed. But we, zamindars and malguzars grow forest on our own land. The income derived from forest growth forms part of the assessment of a village and we already pay land revenue to the Government. In my part of the province it is called Sivaijama, extra income. This practice of the Government is in contravention of their professions and promises, which they have followed up till 1940.

I therefore submit that Government should have no difficulty whatsoever in accepting my Resolution. It is a very small point but it causes great inconvenience to the forest owner and we think we are being doubly taxed. We are taxed with land revenue on that land and we are also taxed income-tax. It would have been much better if I had been allowed to discuss an amendment of the Income tax Act here. But as the Governor General has withheld his sanction for my proposed amendment of the Act, I have brought in this Resolution. I hope, Sir, the Council will accept it.

THE HON. MR. G. S. MOTILAL (Bombay : Non-Muhammadan) : Sir, I should like to give my support to the Resolution moved by my friend Mr. Kalikar. He has made a very good case. He has stated all the relevant facts. We know why agricultural income is exempted from income-tax. The reason is this, that they pay land revenue ; and once land revenue has been paid the same income is not to be assessed to income-tax. That is the principle of exemption. This principle applies also to forest income. And this was the pratice followed by the Government up to 1940. The Patna High Court, however, took a different view and I think that is based on the language of the provincial Act. The phraseology of the provincial Act is not before me now. So far as the Government of India is concerned, they should not have departed from that policy. They should have stuck to the principle and given instructions that what ever the decision so far as provincial income-tax is concerned the Government of India ought not to have imposed a tax on agricultural income. I therefore give my support to it.

THE HON. RAI BAHADUR SRI NARAIN MAHTHA (Bihar : Non-Muhammadan): Sir, I have just one point to add, which is peculiar perhaps to the Province of Bihar. There we pay land-revenue for the lands we cultivate or let out to the tenants. Another tax we pay is that known as the Road Cess. This goes to local Bodies for the roads they maintain. The third tax we pay is the Agricultural Income-tax on whatever we grow on the land for which we pay land revenue and cess. Then on the top of that, income derived from trees or from fruits is subjected to Income-tax. As the Agricultural Income-tax is not an incidence of taxation common to every Province, I thought I should place this point also before the House.

THE HON. SIR CYRIL JONES (Finance Secretary) : Sir, the object of the Resolution is to secure exemption of all forestry income from liability to Central income-tax. It is true that in 1922, when the Income-tax Act was before the Legislature, an attempt was made to include in agricultural income any income derived from forestry on land assessed to land revenue. I may point out in passing, Sir, that there is plenty of forest land which is not assessed to land revenue. I refer to forests in Zamindari estates in respect of which the assets, that is the income from forest land, were not taken into account in the calculation of the land revenue.

THE HON. MR. V. V. KALIKAR : I may inform the Hon. Member that in my Province that is not the case.

THE HON RAI BAHADUR SRI NARAIN MAHTHA : Nor is it so in my Province

THE HON' SIR CYRIL JONES : It is the case in certain Provinces, Sir. That is a distinction of which this Resolution takes no cognizance. When this amendment was before the Legislative Assembly, the then Finance Member explained that he had found it, and his legal advisers had found it, impossible to devise a formula which would limit the income derived from forests to that of income from the land only. However it was worded, it brought in other income which could not possibly be regarded as agricultural income, such as contractors' profits in working forests, to which my Hon. friend the Mover has referred, accordingly Sir Malcolm Hailey said that he would leave the matter to the ordinary operation of the Act, and gave the assurance that if the position were not clear executive instructions would be issued to remove any uncertainty as to the assessment of forestry income derived

[Sir Cyril Jones]

by land-owners from land assessed to land revenue. That undertaking was given, Sir, and that undertaking was implemented. But we are going back right to 1922, and since 1922 circumstances have changed in several respects. For instance, the uncertainty has been largely resolved, in that a number of judicial pronouncements have established that forest income, or at least certain classes of forest income, is not agricultural income as defined in the Act. Secondly—and more important—the executive instructions which were issued in pursuance of the assurance given by Sir Malcolm Hailey have now been removed from the competance of the executive Government by Act of the Legislature itself. The executive instructions were to have been issued, and were issued, under section 60, sub-clause (1) of the Indian Income-tax Act, which permitted the Central Government to make an exemption, reduction in rate or other modification in respect of income-tax in favour of any class of income and so on. But in 1939 the Legislature saw fit to remove that power from the executive Government when they inserted clause (3) in section 60 of the Indian Income-tax Act, to the effect that after the commencement of the Indian Income-tax (Amendment) Act, 1939, the power conferred by sub-section (1) shall *not* be exercisable except for the purpose of rescinding an exemption, reduction or modification already made. In the light of these two changes, Sir, namely, that forestry income, using that term in a broad sense, had been held by judicial pronouncements to be not agricultural income, and that the power of exemption by executive instructions had been withdrawn from the executive Government by the Legislature, the central income-tax officers had no option but to assess this income when they came across it.

There is yet another vital change in conditions since 1922. The whole basis of the amendment which was then urged was the argument about double taxation, as my Hon. friend is pleased to call it. It was expressed by the Mover of that amendment in these words :—

"It is not fair simply because a Zamindar grows a forest that he should be called upon to pay both land revenue and income-tax."

Now, that contention, Sir, was very shortly after turned down by the Taxation Enquiry Committee, and it had been finally rejected in the 1935 Government of India Act itself, which empowers Provincial Governments to levy income-tax on agricultural income. This development, I suggest, Sir, is a fundemental change in the circumstances in which Sir Malcolm Hailey's assurance was given. The point then at issue was whether income derived from forest should or should not be liable to income-tax. Now the point is only whether in such a case the income-tax should be levied by and accrue to a Provincial Government or the Central Government, and that, I submit, Sir, is a very secondary consideration when we are dealing with a question of principle. If we amend the Indian Income-tax Act to include forestry income in the definition of agricultural income, then it would cease to be taxable by the Central Income-tax Department but would immediately be taxable by the provincial Income-tax Department in those Provinces in which a system of agricultural income-tax is in being. A further change that has taken place is in regard to the ideas in the matter of progressive taxation. The argument put forward in 1922 was that Zamindars were over-taxed and they should be treated lightly because they were useful members of society and their beneficial activities should not be curtailed, but, according to the modern ideas, Sir, it is entirely unjustified that large net incomes, after payment of land revenue where land revenue is paid, of the land-owing classes—land-owners and Zamindars—should be exempted from progressive taxation.

The Government do however recognise that, where a landowner has an estate part of which yields him agricultural income which would be assessable by the province and part of which yields him income which would be assessable by the Centre, there is a certain degree of inconvenience caused to the landowner; and the Central Government, for its part, would be prepared to remedy that inconvenience, after consultation with the Provinces and with their concurrence, by including in agricultural income forest income derived by landowners from land assessed to land revenue. That is to say, they would be prepared to give away this revenue, provided in relenquishing it they were giving it to Provincial Governments and not to the Zamindars or land-owners themselves. Such a course would

obviously not be possible until every Province had introduced an Agricultural Income tax Act. The result of amending the Act in the way indicated, namely, by including forest income in agricultural income, would subject the income derived from forest by landowners in certain Provinces to income taxation by the Provincial Governments and in other cases would subject them to no income-tax at all; and we should have the disparities of taxation which exist as between the various Provinces still more clearly marked. In the circumstances, Sir, and until the position I have indicated is reached, the Central Government have no option but to oppose the suggestion put forward in this Resolution.

THE HON. MR. V. V. KALIKAR: Sir, my Hon. friend the Principal Finance Secretary has referred to the judicial pronouncements that have been made since 1922. In order to avoid citing cases in this House, and in order that I should not take a brief for any particular community—I mean the zamindars—I just wanted to bring to his notice the statement of Sir Malcolm Hailey and the procedure that was followed until 1940—his own Department's regulations and instructions—and to see whether, if he thinks that his own Department is going against his own instructions, he would take steps to remedy that. His first argument is that since 1922 many judicial pronouncements have been made, and, therefore—if I understood him correctly—his Department have issued instructions in regard to the taxing of forest income. Now, I will cite certain judicial pronouncements which are in my favour. It is my misfortune that I have to cite them and take the valuable time of the House.

Well, Sir, this question was first decided in Madras, and you will find a case in 45 Madras, 518. It was decided in that case that income from forests is included under agricultural income and that it is not a separate income. Then, Sir, we have another Madras case, I.L.R. 52 Madras, 12. In this case, under protest the assessee had paid the tax on income from forests and the court, asked the Government to refund that amount. Then, Sir, there is 51 Cal., 504; 52 Cal., 546; and 58 Cal., 430—Privy Council. In all these cases it has been definitely decided that income derived from forest comes under agricultural income and it cannot be taxed under the Income-tax Act. I am very sorry I have not been able to get a recent Federal Court case. But the Privy Council judgment was followed in the recent Federal Court case and it was decided that income derived from forests is included in Agricultural income and cannot be taxed under the Income-tax Act.

I will now read from page 240 of the Income-tax Manual issued on 31st December, 1945:—

"Agricultural income:—This definition has not been amended by the Income-Tax Amendment Act, 1939, and the following examples merely illustrate what is, or what is not, agricultural income within the meaning of the definition. Examples of agricultural income:

Income received by a landowner from the sale of timber or trees grown on his own land.

Land revenue assigned to a Jagirdar."

It further says:—

"Examples of income which is not agricultural income....."

I have already conceded that point. So, even in 1945, the Government of India had made no corrections in their instructions. And now my Hon. friend comes here and argues that times have changed, that judicial pronouncement have been made, that Provincial Governments have levied income-tax on agricultural income, and so on.

So far as the Provincial Governments are concerned, I would ask my Hon. friend to leave that point aside altogether, because, after all, in some of the Provinces they have an agricultural income-tax and in some others they have no such tax. So, that point should not be taken into consideration at all. But I charge the Government of India with taxing the people doubly, when they have made no correction in their own instructions, and when they have not brought in a Bill in the Assembly to change the Income-tax Act. I may be excused, in the circumstances, if I use the words "daylight robbery". You have in your instructions said definitely that agricultural income includes such and such income. What right have you to issue instructions to your Department to get money from the agriculturist or from the forest owner because he owns a certain piece of forest? I cannot understand the view of the Government. When a certain point of view appeals to them, they should find

[Mr. V. V. Kalikar.]

out whether it is reasonable or unreasonable, instead of trotting out weak arguments. In this very case, the assessee has been taxed doubly duri ng the last four years, in spite of the recent instructions of 1945. I know there are cases going on in my Province and we shall get the point decided by the Privy Council again. My point is that Government should follow their own instructions and should abide by the promises they have given to the public. Therefore, I want my friend to accept this and amend the Indian Income-tax Act if he thinks that the Act requires to be amended. Sir, in my Province—and I know this is also the case in some other Provinces too—the Income tax officers got power to assess forest income after these instructions were issued. The instructions were confidential, I know, because the public instructions are quite different. After the confidential instructions were issued by the Finance Department they have levied income-tax on forest income for the last 4 years. Government had no moral right whatsoever to tax this income when their own instructions were that forest income should be excluded. Sir, I am very sorry that I am not convinced by the argument advanced by my Hon. friend. In fact he has no argument. He tried to make out a weak case by some plausible arguments. He had absolutely no case. He knows it. I brought to his notice the instructions of 1940 and also 1945. I brought to his notice the promises given by Sir Malcolm Hailey. They want to go back over those promises. They do not want to keep the promises. They do not want to stick to the instructions. They want to issue confidential instructions to their officers and to take money from us. This is most objectionable on the part of the Government and I therefore request the House to accept my Resolution.

THE HON. SIR CYRIL JONES: Sir, on the question of law I do not wish to say anything. To every pronouncement which my Hon. friend can quote, I can quote two on the other side. It is settled law, I firmly believe, that income from forests of spontaneous growth is not agricultural income, and we have very good reason for holding from pronouncements of High Courts Judges of more than one High Court that income from cultivated forests is also not agricultural income. My Hon. friend has entirely overlooked the point I made that an assurance given in one set of circumstances cannot be operative when those circumstances change in such a way that it is impossible within the law to give effect to that assurance. The assurance given was that executive instructions would be issued not to assess forest income. Those executive instructions were issued. Latterly, since 1939, those executive instructions have become illegal by action of the Central Legislature.

THE HON. MR. V. V. KALIKAR: What about the instructions of 1940?

THE HON. SIR CYRIL JONES: There has been a lag in changing our practice and there has been a considerable lag in changing our instructions. That has now been remedied and the current instructions are in accordance with the law. Any instructions, confidential or otherwise, not to assess incomes to central income-tax which under the Act are assessable or liable to income-tax would be a breach of the law, and that I submit settles that point.

The last remaining point is that the argument of principle in regard to double taxation has been set at rest by the constitutional power vested in Provinces to impose tax on agricultural income. If Provinces can rightly and properly assess to income-tax net incomes, after payment of land revenue, derived from agriculture, there can be no objection in principle to the Central Government assessing net incomes which are akin to agricultural income but are not agricultural income, such as incomes derived from sylvicultural operations or from forest of spontaneous growth. These are my main arguments which, in my opinion, have not been met by the Hon. Member and I must maintain my opposition to this Resolution.

MR. CHAIRMAN (the Hon. Mr. M.N. Dalal): Resolution moved:

"This Council recommends to the Governor-General-in-Council to take immediate steps to introduce legislation in the Central Legislature with a view to exclude forest Income from being taxed under the Indian income-Tax Act, 1922."

The Question is that this Resolution be adopted.

Question put: the Council divided:

AYES—13

Buta Singh, Hon. Sir.	Mahtha, Hon. Rai Bahadur Sir Narain.
Das, Hon. Mr. N. K.	Motilal, Hon. Mr. G. S.
Das, Hon. Rai Bahadur Satyendra Kumar.	Niamatullah, Hon. Chaudhri.
Gibbons, Hon. Mr. J. M. B.	Roy Chawdhury, Hon. Mr. Susil Kumar.
Kalikar, Hon. Mr. V. V.	Rup Chand, Flt. Lieut., the Hon.
Kunzru, Hon. Pandit Hirday Nath.	Surput Singh, Hon. Mr.
	Yuveraj Datt Singh, Hon. Raja.

NOES—23

Assadulla Khan Raisani, Hon. Sardar Bahadur Nawab.	Khare, Hon. Dr. N. B.
	Khurshid Ali Khan, Hon. Nawabzada.
Ayyangar, Hon. Sir Gopalaswami.	Lal Hon. Mr. Shavax A.
Charanjit Singh, Hon. Raja.	Mahomed Usman, Hon. Sir.
Chinoy, Hon. Sir Rahimtoola.	Menon, Hon. Sir Ramunni.
Conran-Smith, Hon. Sir Eric.	Mukherjee, Hon. Sir Satya Charan.
Das, Hon. Mr. M. L.	Porter, Hon. Mr. A. E.
Devadoss, Hon. Sir David.	Prior, Hon. Mr. H. C.
Ghosal, Hon. Sir Josna.	Row, Hon. Mr. Thirumala.
Hissamuddin Bahadur, Brig. the Hon. Sir.	Sobha Singh, Hon. Sardar Bahadur, Sir.
Hutton, Hon. Lt.-Genl. Sir Thomas.	Sukthankar, Hon. Mr. Y. N.
Jones, Hon. Sir Cyril.	Townand, Hon. Mr. H. D.

The Resolution was negatived.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): I think this is a convenient time to adjourn the House.

THE HON. MR. M. THIRUMALA ROW (Madras: Non-Muhammadan): I have got the last Resolution on which I do not want to make a speech. Government, I think, will accept my Resolution. We can rise before the scheduled time.

THE HON. SIR MAHOMED USMAN (Leader of the House): There is no use of accepting the Resolution, because we have carried out the terms of the Resolution. We have in fact bought all drugs and medical and surgical equipment from the United States which have been declared surplus in India. We have already done what the Resolution wants. So it is not necessary to move it.

THE HON. MR. M. THIRUMALA ROW: On what is the Hon. Member making a statement? I have yet to move my Resolution.

THE HON. SIR MAHOMED USMAN: I am telling the Hon. Member if he moves his Resolution without making a speech, we may be able to finish it after the reply of the Government Member.

RESOLUTION *RE* PURCHASE OF DRUGS, SURGICAL AND MEDICAL EQUIPMENT FROM THE AMERICAN ARMY IN INDIA

THE HON. MR. M. THIRUMALA ROW (Madras: Non-Muhammadan): Sir, I move:—

"This Council recommends to the Governor General in Council that all drugs and medical and surgical equipment of the American Army in India be purchased by the Government of India for use by the health services of the country."

The Resolution is self-explanatory. We hear a lot of things published in the papers that much American equipment is being destroyed. Even this morning's paper said that even tinned foods were being destroyed. In Cocanada we have got a hospital with 800 beds and up to date equipment run by the military. We were told that some of the equipment is being taken away. I do not know how it is being disposed of. They have got much medical stores and surgical equipment and other hospital equipment. I urge upon the Government of India to purchase all the material that is available and use it for the national health services.

THE HON. SIR MAHOMED USMAN (Leader of the House): As I have already sai, we have in fact bought all drugs, and medical and surgical equipment declared as surplus in India from the United States Forces. All the things they have left we have purchased. There is therefore no point in accepting the Resolution. The Hon. Member may as well withdraw the Resolution because we have already done what he wants.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) : Hon. Members is it your pleasure that leave be granted to withdraw the Resolution.

THE HON. MR. M. THIRUMALA ROW : Why don't you oppose it ?

THE HON. SIR MAHOMED USMAN : I am not opposing it, because we have already carried out the terms of the Resolution. On the assurance given by me that we have already carried out the terms of the Resolution, I think the Hon: Member need not press his Resolution.

The Resolution was, by leave of the Council, withdrawn.

ELECTION OF MEMBERS TO COMMITTEES.

MR. CHAIRMAN (the Hon Mr. M.N. Dalal) : With reference to the announcement made on the 26th March regarding elections to certain Committees I have to announce that the following Hon. Members have been nominated for election to the following Committees :—

1. Advisory Board of Archaeology :—

The Hon. Mr. V. V. Kalikar.

There is one candidate for 1 seat and I declare him duly elected.

2. India Central Tobacco Committee :—

The Hon. Mr. M. Thirumala Row.

There is one candidate for 1 seat and I declare him duly elected.

3. All India Council for Technical Education :—

1. The Hon. R. B. S. K. Das.

2. The Hon. K.B. Keramat Ali.

There are 2 candidates for 2 seats and I declare them duly elected.

The Council then adjourned till Eleven of the Clock on Monday, the 8th April, 1946.

COUNCIL OF STATE

Monday, 8th April, 1946

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

MEMBERS SWORN

The Hon. Mr. Vyakarana Narahari Rao (Nominated Official).

The Hon. Mr. Kuthur Vidyanatha Kalyan Sundaram (Nominated Official).

QUESTIONS AND ANSWERS

Detention of Indians in Bangkok

249. The Hon. Mr. M. THIRUMALA ROW: (*a*) Is it a fact that a number of Indians are under detention in Bangkok ?

(*b*) If so, do Government propose to investigate the disabilities which the Indians in Bangkok are suffering and to redress them ?

The Hon. Sir MAHOMED USMAN: (*a*) Some ten Indians are reported to have been arrested by the Siamese authorities about the end of 1945. Their case was taken up by the British authorities on the spot and His Majesty's Minister at Bangkok has been asked for a telegraphic report on the present position of the case. His reply is awaited.

(*b*) On the Government of India's instructions Mr. M. S. Aney visited Bangkok last January to inquire into the condition of Indians in Siam. It was found that the Indian community normally resident in Siam suffers from no special disabilities. Some thousands of Indian labourers who had been imported from Malaya to work on the Burma-Siam railway were, however, in urgent need of relief. Adequate measures have been taken by the Allied authorities in Siam for the care of those people, and their repatriation to Malaya is now proceeding.

The Hon. Mr. M. THIRUMALA ROW: Have Government taken any steps to safeguard the properties that have been left by some of the Indians in Siam ?

The Hon. Sir MAHOMED USMAN: I must ask for notice, Sir.

The Hon. Pandit HIRDAY NATH KUNZRU: Did the Hon. Member say that all the labourers who were awaiting repatriation to Malaya from Siam had been sent back to Malaya?

The Hon. Sir MAHOMED USMAN: What I said was "Some thousands of Indian labourers who had been imported from Malaya to work on the Burma-Siam railway were, however, in urgent need of relief. Adequate measures have been taken by the Allied authorities in Siam for the care of those people, and their repatriation to Malaya is now proceeding."

The Hon. Pandit HIRDAY NATH KUNZRU: Can the Hon. Member give us any details of the measures taken by the Siamese Government to give relief to these people ?

The Hon. Sir MAHOMED USMAN: I must ask for notice.

Messrs. A. H. Wheeler and Co., Proprietors of Railway Bookstalls.

250. The Hon. Mr. SURPUT SINGH: Will Government state:

(*a*) Since when the firm of M/s A. H. Wheeler & Co. is enjoying the monopoly of selling books, newspapers, periodicals, etc., on the station premises of the E. I., B. B. & C. I., G. I. P. and B. N. Railways ?

(*b*) Is there any contract between these Railway Administrations and the above mentioned firm on this subject ?

(*c*) If so, what are the terms of those contracts ? What amount is annually charged from the firm and on what dates the present contracts will terminate ?

(*d*) Before entering into contract with the said firm have the Railway Administrations concerned invited public tenders ? If so, what were the names of these tenderers and the reasons for rejecting their offers ?

(*e*) Will Government consider the advisability of inviting public tenders by publishing necessary advertisements to this effect in all important newspapers of the country before deciding in future the question of giving these contracts ?

(*f*) Are Government aware that there is a large number of complaints about the manner in which the present licencées are working and that there is dissatisfaction among the travelling public about the unsatisfactory arrangements at several book-stalls to meet their requirements ?

THE HON. SIR ERIC CONRAN-SMITH : (*a*) Messrs. A. H. Wheeler & Co. hold the bookstall contracts on the E. I., B. B. & C. I., G. I. P. and B. N. Railways as follows :—

E. I. Railway	Since 1886
B. B. & C. I. Railway	Since 1923
G. I. P. Railway	Since 1889
B. N. Railway	Since 1891

(*b*) Yes.

(*c*) Yes, the terms of the contract provide for Messrs. A. H. Wheeler & Co. paying to the Railway Administrations as follows :—

E. I. Railway	Rs. 7,650 per annum.
B. B. & C. I. Railway	3¼ per cent. annual royalty on the gross sales.
G. I. P. Railway	Rs. 15,000 per annum.
B. N. Railway	2½ per cent. annual royalty on the gross turn-over.

The present contracts will terminate on the following dates :—

E. I. Railway	31-3-1947
B. B. & C. I. Railway	31-12-1946
G. I. P. Railway	31-12-1946
B. N. Railway	31-3-1947

(*d*) *E. I. Railway*—No.

B. B. & C. I. Railway—No.

G. I. P. Railway—Yes. The names of the tenderers were Messrs. A. H. Wheeler & Co., The Imperial Publishing Co., Lahore, and the Indian Press, Ltd., Allahabad. The licence fee offered by Messrs. A. H. Wheeler & Co. was higher than that offered by the other two whose tenders were rejected.

B. N. Railway—No.

(*e*) Yes.

(*f*) No.

THE HON. MR. M. THIRUMALA ROW : With regard to (*b*), is there any specific period for which these contracts are renewed ?

THE HON. SIR ERIC CONRAN-SMITH : The period is specified in the contract with the individual railway. The period varies.

THE HON. MR. M. THIRUMALA ROW : Is there any railway which gives a contract for more than ten years at a stretch ?

THE HON. SIR ERIC CONRAN-SMITH : Not for more than ten years but the contracts are renewable after a certain period of years.

SALE OR EXCHANGE OF SOVEREIGNS

251. THE HON. MR. SURPUT SINGH: Will Government state:

(*a*) Whether they sold or exchanged gold sovereigns to the public during the years of war?

(*b*) If the answer is in affirmative, the number of such sovereigns sold in the years 1940-41, 1941-42, 1942-43, 1943-44, 1944-45 and 1945-46?

(*c*) Whether that was done in exchange of (*i*) gold only, (*ii*) gold and cash, or (*iii*) only cash?

(*d*) If exchanged for gold and cash, the quantity of gold charged for each sovereign with cash in addition?

THE HON. MR. V. NARAHARI RAO: (*a*) to (*d*). No sales or exchange of sovereigns were made by Government during the war. Exchange of sovereigns against gold was, however, made by the Reserve Bank of India but it will not be in the public interests to disclose the figure.

SALE OF GOLD

252. THE HON. MR. SURPUT SINGH: Will Government state:

(*a*) Whether the South African and the American Governments (U.S.A.) were allowed to sell gold in India between the years 1940-41 to 1945-46?

(*b*) If so, the quantity and value of gold the above Governments sold in each year?

THE HON. MR. V. NARAHARI RAO: (*a*) No sales were made on accoun of the South African Government, but sales were made on account of the Government of the United States of America during the period from the 8th August 1943 to the 17th August 1945.

(*b*) Amount sold each year cannot be calculated but subject to adjustments some of which may be substantial, total sales made on American account during the period amounted to 2,955,993 ounces of the value of Rs. 56,48,00,000.

RATIONING OF PETROL

253. THE HON. RAI BAHADUR S. K. DAS: Will Government state:

(*a*) Whether rationing of petrol was adopted as a war measure?

(*b*) If the answer is in affirmative, whether after the cessation of hostilities such restriction on the use of petrol is still considered necessary?

THE HON. SIR ERIC CONRAN-SMITH: (*a*) Rationing was introduced as a result of the war.

(*b*) Yes. The reasons why petrol rationing cannot at present be further relaxed or withdrawn have been fully explained in the press communique issued in the first week of January 1946.

PROTECTION OF INDIAN INDUSTRIES AGAINST FOREIGN COMPETITION

254. FLIGHT-LIEUT. THE HON. RUP CHAND: Will Government state:

(*a*) What action they have taken to protect Indian industries against foreign competition in the post-war period, especially such industries as were started in India during the war but are now on the verge of disruption?

(*b*) Whether Government have taken care that in granting licences for imports of foreign goods into India no facilities are given for importing such goods as would place Indian-manufactured goods at a disadvantage?

(*c*) Do Government propose to clarify their policy in this matter?

THE HON. MR. Y. N. SUKTHANKAR: (*a*) Pending the formulation of a long-term tariff policy, Government have, as a short term measure, set up an interim Tariff Board to investigate the claims of industries started or developed during the war, to assistance or protection against foreign competition during the transition

period. I lay on the table a copy of the Commerce Department Resolution dated the 3rd November 1945 setting up the Board. With a view to ensuring speedy action on the recommendations of the Board Government have also introduced the Protective Duties Bill which is now before the Legislature.

(*b*) and (*c*). In the application of Import Trade Control due regard is paid to the legitimate interests of Indian industries during the difficult period of transition from war-time to peace-time economy.

LOSS OF FOODGRAINS

255. FLIGHT-LIEUT. THE HON. RUP CHAND: Will Government state: (*a*) The approximate losses of foodgrains in India by lack of adequate and satisfactory storage facilities during the last five years separately?

(*b*) Whether it is a fact that no substantial improvements in the storage facilities have been made during the last few years and consequently the wastage of foodgrains on this account continues at more or less the same proportion from year to year?

(*c*) The reasons why substantial improvements in storage facilities have not been made in India so far?

THE HON. SIR JWALA PRASAD SRIVASTAVA: (*a*) I regret it is not possible to calculate the loss of foodgrains in India due to lack of adequate and satisfactory storage facilities during the last five years separately. One rough guess is that the annual loss during storage due to various causes is of the order of three million tons.

(*b*) and (*c*). The Central Government have, during the last two years, constructed storage for 91,500 tons. In addition, they have subsidized the construction of storage for 89,250 tons in the Punjab, Sind, Orissa and Central Provinces. Provincial Governments themselves are constructing storage for more than 6·5 lakh tons. The provision of pucca godowns, to prevent storage losses, is being steadily planned for.

THE HON. SIR SHANTIDAS ASKURAN: Have we got enough space to store all the food which has been allotted to us by the United Nations and which is going to come here within the next six months? And are you going to allot it to the different provinces immediately after arrival so that it will be properly distributed, or have you got storage facilities in certain ports?

THE HON. SIR JWALA PRASAD SRIVASTAVA: It will be distributed straightaway to the different provinces. It is being allotted now.

THE HON. SIR SHANTIDAS ASKURAN: Have the railways got all the facilities for that? As you know, there is coal shortage. Sometimes there is coal shortage; sometimes there is wagon shortage. There is some difficulty or others. Have you ascertained whether the Railways are going to make all the preparations necessary for distribution?

THE HON. SIR JWALA PRASAD SRIVASTAVA: This question does not arise out of the question on the Order Paper, but I would like to inform the House that we have already laid on rail transport to meet the requirements of these imported foodgrains, and we have a branch now in the Food Department working at this.

REDUCTION OF LICENCE FEES ON CHEMICALS AND DRUGS

256. FLIGHT-LIEUT. THE HON. RUP CHAND: Will Government state whether they propose to reduce the licence fees for importers, wholesale and retail dealers in chemicals and drugs now that about 9 months have passed since the war ended; if not the reasons therefor?

THE HON. SIR MAHOMED USMAN (on behalf of Industries and Supplies Department): The licence fees under the Drugs Control Order for all types of licences have already been reduced by half in respect of the licensing year commenced on 1st April, 1946 by a notification published in the Gazette of India on the 2nd March 1946. No further reduction is being considered.

BRITISH AND INDIAN OFFICERS HOLDING PERMANENT COMMISSIONS

257. THE HON. PANDIT HIRDAY NATH KUNZRU: Will Government state the number of permanently commissioned Indian and British officers, respectively, with service ranging from (*i*) 1—5 years, (*ii*) 5–10 years, (*iii*) 10–15 years, (*iv*) 15—20 years, and (*v*) 20—30 years?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I lay a statement on the table.

Distribution of Indian and British officers holding permanent Commissions in the three Indian Services by years of commissioned service as on the 1st January 1946.

Years of commissioned service	British	Indian
1—5	30	44
5—10	674	388
10—15	449	141
15—20	316	59
20—30	897	47

POLICY TO BE FOLLOWED IN OFFICERING THE ROYAL INDIAN NAVY, INDIAN ARMY AND THE ROYAL INDIAN AIR FORCE

258. THE HON. PANDIT HIRDAY NATH KUNZRU: With reference to the Press Communique, dated the 22nd October 1945, regarding "the policy to be followed in the future officering of the Royal Indian Navy, Indian Army and the Royal Indian Air Force" will Government state why it was considered necessary to offer 40 regular Commissions to European officers of the R. I. N. Reserves? If European officers were required, why were they not obtained by secondment or attachment from the Royal Navy?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: 1. These 40 commissions were offered to European officers to fill an existing need for experienced officers in the intermediate grades of the officer cadre of the R. I. N.

2. The reasons for deciding to give these 40 commissions to Europeans in the case of the Navy alone of the three Services were the greater difficulty of obtaining seconded officers in required numbers from the Royal Navy than from the other British services and the fact that there are not sufficient Indian officers of the experience required who are suitable and have the particular qualifications.

Naval officers are required to specialise to a very considerable extent, and this measure was meant to tide over the gap until the period when a steady flow of trained and qualified Indian officers in all branches is available.

3. Up to date only 9 European Reserve officers have been selected for permanent commissions and I am now re-examining the position to see if we can manage with less than the original 40 by obtaining more by secondment or some other means.

THE HON. PANDIT HIRDAY NATH KUNZRU: Was any effort made to obtain officers by secondment or attachment before deciding on the grant of regular commissions to 40 European officers; of the R. I. N. R.?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: One method of obtaining officers by secondment is to apply to the British Admiralty, and if officers volunteer and are suitable, we take them. The other method, of course, is to get Indian officers commissioned in the Royal Navy. We are trying to get them by all means in our power. But those officers will take time to train, and these British officers are meant to fill the intermediate grade until such time as Indian officers can be fully trained.

THE HON. PANDIT HIRDAY NATH KUNZRU: How is the position in the R. I. N. different from that in the Indian Army, where also the seconded or attached officers will occupy positions for which Indian officers are not ready yet?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: The difference, as I have tried to explain, is that the Naval officer, generally speaking, is more specialized than the Army officer. When this proposal was put to me, I went into the question myself, and it was because I was convinced that it was a necessary measure that I agreed to it in order to tide over the gap until fully trained Indian officers were available.

THE HON. PANDIT HIRDAY NATH KUNZRU: Was the Admiralty approached in this connection before the decision referred to in my question was taken?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Certainly.

WELFARE OFFICERS IN MALAYA

259. THE HON. PANDIT HIRDAY NATH KUNZRU: (*a*) Is it a fact that both the Assistant Director and Deputy Assistant Director, Army Welfare Service, attached to the Malaya Command are British officers?

(*b*) What is the total number of British and Indian Welfare Officers, respectively, under the Malaya Command? Are the majority of the officers British?

(*c*) Are 75 per cent. of the troops under the Malaya Command Indian? If so, why are both the Assistant Director and Deputy Assistant Director, Army Welfare Service, and the majority of the Welfare Officers British?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (*a*) It is a fact that both the Assistant Director and the Deputy Assistant Director, Army Welfare Service at Headquarters Malaya Command are British officers. The welfare staff, however, is part of the administrative staff and, in Malaya, comes under an Indian Colonel.

(*b*) No exact information is available, but the majority of welfare officers in Malaya are British.

(*c*) More than 75 per cent of the troops in the Malaya Command are Indian. The appointment of Assistant Director, Deputy Assistant Director and of Welfare Officers are made by Commander-in-Chief, ALFSEA.

The reason why both these appointments are at present filled by British officers is because they are the most suitable officers available at the moment. It is a fact that it is extremely difficult to find Indian officers of the requisite seniority and experience to fill the senior welfare staff appointments. We have relatively few senior Indian officers and these are nearly all employed in command of units or in senior staff appointments. I believe about 30 per cent of the junior welfare staff appointments in ALFSEA are held by Indian officers but I have not got exact figures as these appointments are made by Commander-in-Chief, ALFSEA.

I am fully alive to this problem and am continually trying to find suitable Indian officers for welfare work.

THE HON. PANDIT HIRDAY NATH KUNZRU: Are the Indian troops in Malaya still under ALFSEA or are they now under the control of the Commander-in-Chief in India?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: No, Sir, they are still under the Supreme Allied Commander, and under the Commander-in-Chief, ALFSEA.

THE HON. PANDIT HIRDAY NATH KUNZRU: Will the Government of India make representations to the Supreme Allied Commander asking that one of the Superior officers should be an Indian so that the welfare of Indians might be properly looked after.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I am continually trying to find suitable Indian officers for the Welfare Service but we cannot find them. If I had the choice I would prefer a fully trained European to an untrained Indian. Otherwise the troops will suffer.

INDIAN TROOPS IN MALAYA

260. THE HON. PANDIT HIRDAY NATH KUNZRU: (*a*) Are Government aware that there is dissatisfaction among Indian troops in Malaya owing to the inadequate supply of literature, wireless sets, gramophones, records, etc.?

(*b*) Is it a fact that the arrangements for their entertainment are inadequate and that new Indian films are not available ?

(*c*) What steps do Government propose to take to remove the above mentioned grievances of the Indian troops ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : (*a*), (*b*) and (*c*). I lay a statement on the table.

THE HON. PANDIT HIRDAY NATH KUNZRU : No statement is required for part (*a*). What is the reply to part (*a*) of the question ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : The statement contains a lot of information bearing on the question. It will be a waste of time to try and give details here.

THE HON. PANDIT HIRDAY NATH KUNZRU : What I ask in part (*a*) is: " Are Government aware that there is dissatisfaction among Indian troops in Malaya owing to the inadequate supply of literature, wireless sets, gramophones, records, etc.?"

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : I have nothing to add Sir.

(*a*) Government are aware that there was some dissatisfaction among Indian Troops in Malaya at the time of the Hon. Pt. Kunzru's visit on the grounds that the supply of literature, wireless sets, gramophones and records was inadequate. The Director of Welfare, G. H. Q. India, was on a visit to Malaya at about the same time as Pt. Kunzru, to examine the welfare conditions of Indian Troops. As a result of his report steps have been taken to improve conditions for I. T. in Malaya. One of the main causes of inadequate supply was shortage of shipping which resulted in a hold up of welfare consignments in India.

(*b*) It is a fact that there has been some difficulty in getting Indian concert parties to Malaya due to shortage of shipping but the position is now better. Four Indian Concert Parties (provided by the Welfare Organization in the Welfare General's Branch) known as the Fauji Dilkhush Sabha have been sent to Malaya in the last two months. Four more are now on the point of departure from India. The intention is to have at least four concert parties in Malaya at a time.

The following new Indian films were released by D. S. K. for circulation within South East Asia Command, from October to December 1945 :—

Title	*Bombay Released Date*
PAHLE AP	June 1945.
SAWAN	May 1945.
BHAIJAN	September 1945.
LAILA MAJNU	May 1945.
SUBEH SHAM	October 1945.
CHAMIYA	August 1945.
RATTAN	April 1945.
PREET	June 1945.
RAMA YANI	July 1945.
MANASAMRAKSHANAM (Tamil Film)	February 1945.
NAL DAMAYANTI	June 1945.
PANNA	May 1945.
ISMAT	February 1945.
SHIRIN FARHAD	May 1945.
HUMAYUN	May 1945.
CHANDTARA	September 1945.
ANBAN	Being released.

During the month of January 1946, the following new subjects have been released :—

Title	*Bombay Released Date*
YES PLEASE . .	July 1945.
MAHARATHI KARNA	September 1945.
SANYASI . .	Being released.
PIYA MILAN .	September 1945.
MUMTAZ MAHAL	October 1945.
BACHPAN . .	Being released by trade.
TARAMATI .	September 1945.
VILLAGE GIRL	September 1945.
MUN KI JEET .	January 1946.
PANNA DAI .	May 1945.
PRABHU KI GHAR	Being released by trade.

(*c*) With the improvement in shipping facilities the situation has already improved. The distribution of welfare and amenity facilities within the large areas, including Malaya, which comprise South East Asia Command is the responsibility of H. Q.ALFSEA. H.E. the C.-in.C. has discussed these matters personally with the G.O.C. in-C. ALFSEA and all possible steps to improve the situation that can be taken, are being taken.

6,200 wireless sets have been sent to ALFSEA from India ; 2,496 in the last two months. A further one thousand sets are now being shipped.

2,828 gramophones have been despatched of which 2,259 were sent to ALFSEA in February and March 1946. Records are being provided at the scale of 50 records per 100 men.

As regards literature, 1,20,000 books in various Indian vernaculars have recently been sent out for free issue to Indian Troops in ALFSEA. This is in addition to literature bought from the Unit's per capita grant for literature of Re. 1. In addition copies of the Indian Service Daily 'Jawan' and the Indian Service illustrated Weekly 'Fauji Akhbar' in both English and Roman Urdu and in the vernaculars are distributed on a generous scale.

QUALITY OF RATIONS ISSUED TO INDIAN AIRMEN

261. THE HON. PANDIT HIRDAY NATH KUNZRU : (*a*) Are Government aware that there is dissatisfaction among Indian airmen with the quality of their rations, particularly with the curry powder and the flour which is said to be from six months to a year old and to contain grit :

(*b*) Are they further aware of complaints regarding discrimination between Indian and British airmen in regard to the supply of vegetables by the R. I. A. S. C. which is accused of not supplying vegetables like cauliflower, tomatoes, cabbage and peas to Indian airmen but reserving them for British airmen ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : (*a*) Only isolated instances have been reported of dissatisfaction among Indian airmen in regard to the quality of their rations. Where complaints have justified it, necessary action has been taken. Of the items specifically mentioned—

(*i*) Curry powder is not a ration issue and units are now authorised to buy locally the requisite condiment powders to suit their requirements.

(*ii*) There have been no recent complaints in regard to flour and possibly the question refers to atta, complaints about which have been received in the past. The present milling and distribution arrangements, however, preclude any accumulation of stocks and none but fresh milled and properly inspected supplies are issued.

(*b*) No complaints of discrimination in the issue of vegetables have been received.

THE HON. PANDIT HIRDAY NATH KUNZRU : With regard to part (*b*), have Government made any inquiries ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : No, Sir ; there is no need. These matters are reported to me as a matter of routine and I know what is going on in the Services. I am satisfied from what I have seen that the supply of vegetables is adequate for all the Indian airmen.

THE HON. PANDIT HIRDAY NATH KUNZRU : May I say that His Excellency the Commander-in-Chief may be certain that I would not have put this question if I had not been somewhat sure of my facts.

(No answer.)

INDIANS IN THE LANDS BRANCH OF THE CANTONMENTS DEPARTMENT

262. THE. HON. PANDIT HIRDAY NATH KUNZRU : (*a*) Will Government state whether it is a fact that the sanctioned strength of the Lands Branch, Cantonments Department, is 30 and that only 3 of the officers employed in it are Indians ? If so, why has the Service been made almost exclusively British ?

(*b*) What steps do Government propose to take to bring about a substantial increase in the number of Indians in it ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : (*a*) and (*b*). The sanctioned strength of the Lands Branch of the Cantonments Department is 29, not 30. In 1937, when, consequent on reorganisation of the Department, the Lands Branch was constituted as a permanent measure, three Indian Executive Officers were appointed to that Branch. Four more Indian Officers have since been appointed to officiate as Military Estates Officers in the Lands Branch ; and action has also been initiated to recruit certain Indian Commissioned Officers to that Branch.

All appointments to permanent posts in future will be Indians.

THE HON. PANDIT HIRDAY NATH KUNZRU : When more Indian officers are appointed to this Service, will its status, financially and in other respects, remain as it is or will it be lowered ?

HIS EXCELLENCY. THE COMMANDER-IN-CHIEF : I want notice of that, Sir.

OFFICERS EMPLOYED UNDER THE DIRECTOR OF PUBLIC RELATIONS

263. THE HON. PANDIT HIRDAY NATH KUNZRU : (*a*) What is the total number of officers employed under the Directorate of Public Relations, G. H. Q., in Delhi and elsewhere ?

(*b*) What is it estimated to cost in the current year and the next year ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : (*a*) 53 in Delhi and 43 elsewhere.

(*b*) The total cost of the Public Relations Directorate for the year 1945-46 was Rs. 57,67,309 and the estimated cost for the year 1946-47 is Rs. 21,19,400.

THE HON. PANDIT HIRDAY NATH KUNZRU : Will His Excellency the Commander-in-Chief tell us whether any decision has been arrived at with regard to the future of this Directorate ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : The plan of 1947-48 onwards is to retain a skeleton staff only sufficient to publicize the peace-time activities of the Service and to provide for expansion at the time of war, probably a small staff in G.H.Q. and a Press Officer with a photographer and a clerk or two in each Command. At the moment, the responsibilities of the Public Relations Directorate have not decreased to an extent which would allow of more reduction this year but this matter will be very closely watched.

THE "STILWELL ROAD"

264. THE HON. RAJA YUVERAJ DUTTA SINGH : Will Government state whether any expenditure was incurred ; if so, how much, out of the Indian Exchequer on the building and maintenance of what is called "Stilwell Road" in Burma, which is now going to be abandoned ?

THE HON. MR. V. NARAHARI RAO : No part of the expenditure incurred in connexion with the construction or maintenance of the road referred to has been borne by Indian revenues.

DISPOSAL OF SURPLUS AMERICAN EQUIPMENT

265. THE HON. RAJA YUVERAJ DUTTA SINGH : (*a*) Will Government state whether the American motor vehicles, such as "Jeeps" are going to be disposed of on account of the U. S. A. ; if so, will they be made available to the general public ?

(*b*) Will Government state the method of disposing of the surplus stock of American equipment in India ? Will they be advertised in the papers ?

THE HON. SIR MAHOMED USMAN (on behalf of Industries and Supplies Department) : (*a*) The Government of India have agreed to purchase all U. S. Government surplus property located in India, including motor vehicles. This property will be handled by the Director General (Disposals) in accordance with the

general disposals policy of the Government of India concerning all war surpluses. Surplus assets will be made available to the general public if they are not required by Central Government Departments and other priority indentors (*e.g.* Provincial and States Governments, quasi-Government Institutions and Public Utilities).

(*b*) Priority purchasers are required to select their requirements from catalogues published by the Director General, Disposals within a period of 31 days. If firm indents are not received, the Director General is at liberty to proceed to disposal elsewhere at the end of that period.

It is intended to give as wide publicity as possible by issuing catalogues of surplus stores, and by advertisements in the Press. Show rooms will also be opened in principal cities where catalogues and goods can be inspected, and sales to the public conducted.

ACCEPTANCE OF MONEY ORDERS WRITTEN IN HINDI

266. THE HON. RAJA YUVERAJ DUTTA SINGH : (*a*) Has the attention of Government been drawn to a letter from Thakar Dass Sud, Secretary, Matri Bhasha Prachar Mandal, Lahore, published in the *Daily Herald* of Lahore, dated the 11th March, 1946 in which it is stated that the Postal Department does not accept money orders and other articles addressed in Hindi language for onward transmission to their destination; but they are returned with instructions that these should be written in Urdu or English ?

(*b*) Is it a fact that this sort of difficulty is experienced at Moghalpura and Shalamar Road Post Offices ?

(*c*) Is it a fact that on the 4th March, 1946, two money order forms addressed in Hindi language were presented at G. P. O., Mall Road, Lahore, for onward transmission to Bawarna, Kangra District; but these were refused with verbal remarks that they can only be accepted if written in Urdu or English ?

(*d*) Do Government propose to make an enquiry into the above, and also communicate with the writer of the letter referred to in (*a*) above, and to take necessary steps to see that money orders and other Postal articles addressed in Hindi are not refused transmission ?

THE HON. SIR MAHOMED USMAN : (*a*) Government have seen the article.

(*b*) No.

(*c*) The three officials who were working at the money order counter of the Lahore G.P.O. on the 4th March, 1946 deny that any such money-orders were either presented or refused on that date.

(*d*) In view of the replies to parts (*a*) and (*b*) of the question, it is not proposed to make further enquiries; Government are satisfied that adequate arrangements do exist for the acceptance of money orders and other articles written in Hindi script.

EXPORT OF DAL

267. THE HON. RAJA YUVERAJ DUTTA SINGH : (*a*) Has the attention of Government been drawn to the following statement which appeared in the *Pioneer*, dated the 16th March, 1946 (second dak edition) in the editorial column, in which it is stated that the Manager of an Indian Shipping Company said that in the very first voyage of his Company's new ship to a foreign country (14th February, 1946), " she carried an export cargo of 2,951 bags of *moong dal* " ; and also the following statement :—

" Last month also the steamers, " Begum " and " Jalajoyti " have carried about 35,000 bags of pulses of *lang dal*, 3,011 bags of *tur gal*, and 1,612 bags of *moong* were exported in " Begum". I further understand that about the same quantity is exported every month within the knowledge of the authorities " ?

(*b*) Have Government made an enquiry into this ? Will they state the full facts, indicating why exports of food grains still continues, in spite of official assurances to the contrary ?

THE HON. SIR JWALA PRASAD SRIVASTAVA: (*a*) Yes.

(*b*) Yes. The exports referred to were of pulses and were made to Ceylon. The position is that while exports of foodgrains were stopped some time ago, the exports of certain quantities of pulses were allowed till recently on a quota basis, as India was generally surplus in pulses. These exports have also been stopped now. The orders cancelling the Ceylon quotas issued on the 26th February 1946; the exports referred to took place before the issue of those orders. It is not a fact that foodgrains are still being exported.

MILITARY VEHICLES SUITABLE FOR PASSENGER TRAFFIC

268. THE HON. MR. G. S. MOTILAL: (*a*) What is the total number of military vehicles in India suitable for passenger traffic?

(*b*) How many of them are not required for military use?

(*c*) How many of them can be spared for diversion to civilian traffic?

(*d*) Whether Government have decided to allocate some vehicles for road traffic for civilians; if so, how many in each province and each city?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I assume the Hon. Member means vehicles actually fitted for carrying passengers at present. On this assumption, the replies are as follows:—

(*a*) (*i*) Staff cars of capacity varying between 3 and 5 seats.....1,741

(*ii*) Station wagons.....3,642

(*iii*) 3-ton lorries. This vehicle is basically a normal General Service lorry adapted as a passenger carrier by the fitting of seats to accommodate 32 fully equipped troops ..... 67.

(*b*), (*c*) and (*d*). All are required for military purposes at present. It is however anticipated that about 1,800 station wagons will become surplus to the requirements of the Army in India gradually during the next 12 months. No decision has so far been taken regarding the disposal of these vehicles if they do become surplus.

The method of disposal is not an army responsibility; the army declare surpluses to the Disposals Directorate of the Industries and Supplies Department who take all further action.

INDIANS IN THE BRITSH ARMY, ROYAL AIR FORCE AND ROYAL NAVY

269. FLIGHT-LIEUT. THE HON. RUP CHAND: Will Government state:

(*a*) The number of Indians who joined the three services, the Army, the Navy and the Air Force in England during the war period?

(*b*) The number of such Indians who joined the services and have not yet been demobilized?

(*c*) When do Government propose to demobilize them?

(*d*) Whether Government of India have formulated any plans to absorb such Indians in superior services after they are demobilized in view of their distinguished record of service, their high qualifications and the fact that they have spent valuable years in His Majesty's service, if not, the reasons therefor?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (*a*) 347 approximately.

(*b*) I regret I cannot say with certainty how many still remain to be demobilized, as no differentiation between Indians and other British subjects is made in the British Army and the R.A.F. It is however known that 168 of them are no longer serving.

(*c*) They will come under the normal Age Service Group Release Scheme in U.K., except in so far as they participate in such special concessions as may be granted to overseas volunteers in the British forces.

(*d*) They will be eligible, as other Indians with war service to their credit, to compete for the superior posts which have been reserved by the Government of India and Provincial Governments for war service candidates, provided they are domiciled in India. For details regarding resettlement plans, I would invite the attention of the Hon'ble Member to the pamphlet entitled "Release and Resettlement", a copy of which has been placed in the Library of the House.

ALLEGATIONS AGAINST THE W.A.C. (I.)

270. THE HON. MR. SURPUT SING: Will Government state:

(*a*) Whether reports have come to their knowledge of the allegations against their own organisation by a number of members belonging to W.A.C. (I.)?

(*b*) Whether such allegations have also been made in the Press and the platform from time to time, recently?

(*c*) Whether any enquiry into the allegations has been undertaken; if so what is the result; if not, do Government propose to appoint a representative Committee of officials and non-officials to enquire into the allegations?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I would invite the attention of the Hon. Member to the reply given to the Hon. Raja Yuveraj Dutta Singh's question No. 190 on the 20th March 1946.

ACQUISITION OF LAND IN BOMBAY BY THE MILITARY AUTHORITIES

271. THE HON. MR. M. N. DALAL: (*a*) Are Government aware that the villages of Madh, Yerengal, Aksa and Marve which are situated in the most salubrious part of Bombay are sought to be acquired by the military authorities?

(*b*) Are they also aware that the citizens of Bombay, the ex-Sheriff of Bombay and the Bombay Municipality have protested against these lands being acquired by the military authorities for a permanent training centre?

(*c*) Do Government propose to prevail upon the military authorities to refrain from permanently acquiring these lands?

(*d*) Are Government aware that thousands of fishermen and villagers are entitled to foreshore rights on the sea coast encircling the villages of Madh, Yerengal, Aksa and Marve and that large numbers of them have been deprived of their rights?

(*e*) Do Government propose to take steps to hand back possession of these lands to their rightful proprietors?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (*a*), (*b*) and (*c*). There was such a proposal, Sir, but it is not now proposed to acquire these lands as a permanent training centre. It will, however, be necessary to retain a portion of the present area while an alternative site for the Combined Operation Training Centre is in course of selection and construction.

(*d*) Yes, Sir. For that reason it is proposed to open the whole extent of the foreshore immediately to fishermen except two short stretches which are actually included in the enclosures of military and naval camps. These will be cleared as soon as the new centres are ready, which will be in about two years.

During this period however it will be necessary to close certain areas for short periods from time to time, in order to carry out certain firing practices.

(*e*) The proprietors of land not actually in military possession will be able to cultivate such land as soon as it becomes vacant.

STATEMENTS ETC., LAID ON THE TABLE

THE HON. SIR JOGENDRA SINGH (Education, Health and Agriculture Member): Sir, I lay on the table copies* of the Constitution and related papers of the United Nations Educational, Scientific and Cultural Organization.

*Not printed. Copies placed in the Library of the House.

INFORMATION PROMISED IN REPLY TO QUESTIONS LAID ON THE TABLE

THE HON. DR. N. B. KHARE (Commonwealth Relations Member): Sir, I lay on the table the information promised in reply to question No. 366, asked on the 12th April 1945.

DISABILITIES OF INDIANS IN CANADA

From enquiries made it is understood that Indians, excepting those who had served in the last two world Wars are not eligible to practise the medical profession or to be registered as pharmaceutical chemists in British Columbia.

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 3rd, 4th and 5th April, 1946, namely :—

A Bill further to amend the Income-tax Act, 1922.

A Bill to provide for the creation of a fund to be expended by a Committee especially constituted for the improvement and development of the cultivation and marketing of oilseeds and of the production, manufacture and marketing of oilseeds products.

A Bill further to amend the Factories Act, 1934.

A Bill further to amend the Provident Funds Act, 1925.

A Bill further to amend the Trade Marks Act, 1940.

A Bill further to amend the Indian Companies Act, 1913.

A Bill to provide for the substitution of the Governor General in Council for certain Railway Companies in certain civil proceedings.

A Bill further to amend the Indian Coconut Committee Act, 1944.

A Bill to extend the date up to which duties characterised as protective in the First Schedule to the Indian Tariff Act, 1934, shall have effect, and further to amend the Sugar Industry (Protection) Act, 1932.

STANDING COMMITTEE FOR THE HEALTH DEPARTMENT

THE HON. SIR JOGENDRA SINGH (Education, Health and Agriculture Member): Sir, I move :—

"That this Council do proceed to elect, in such manner as the Hon. the President may direct, five non-official members to serve on the Standing Committee to advise on the subject dealt with in the Department of Health for the financial year 1946-47."

The Motion was adopted.

STANDING COMMITTEE FOR THE EXTERNAL AFFAIRS DEPARTMENT

THE HON. SIR MAHOMED USMAN (Leader of the House): Sir, I move :—

"That this Council do proceed to elect, in such manner as the Hon. the President may direct, five non-official members to serve on the Standing Committee to advise the External Affairs Department on subjects pertaining to British Baluchistan, the Tribal Areas and India's membership of the United Nations Organization for the financial year 1946-47."

THE HON. MR. M. THIRUMALA ROW (Madras : Non-Muhammadan): On a point of information, Sir, with regard to this Motion. I want to know if India is still a member of the League of Nations, and if that is so, which Department covers the League of Nations? Is it included in the Committee for the External Affairs Department ?

THE HON. SIR MAHOMED USMAN: I do not think that has anything to do with this Motion at all. If the Hon. Member will put a short notice question, I shall try and get the information.

The Motion was adopted.

STANDING COMMITTEE FOR THE COMMONWEALTH RELATIONS DEPARTMENT

THE HON. DR. N. B. KHARE (Commonwealth Relations Member): Sir, I move:—

"That this Council do proceed to elect, in such manner as the Hon. the President may direct one more non-official member to serve on the Standing Committee for the Commonwealth Relations Department during the financial year 1946-47, and another non-official member to serve on the same Committee *vice* the Hon. Sardar Bahadur Sir Sobha Singh resigned."

The Motion was adopted.

THE HON. THE PRESIDENT: With reference to the Motions which have 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 11th April, 1946 and the date of election, if necessary will be announced later.

RESOLUTION *RE* NATIONALISATION OF THE INDIAN ARMY

THE HON. 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 a time limit should be laid down for the nationalisation of the Indian Army so that the psychological atmosphere essential to the rapid formation of a national army may be created and the maximum effort may be made to achieve the purpose in view. This Council further recommends that—

(*a*) the appointment of British officers in the grade of lieutenant or captain in the Indian Army should be stopped;

(*b*) the Viceroy's Commissioned Officers should be retained for the present;

(*c*) deserving Indian Officers should be given accelerated promotion to increase the number of Indian Officers required to fill the higher grades; and

(*d*) the methods followed by other independent countries to create a national army in a few years should be adopted with suitable modifications, with a view to the nationalization of the Indian Army in ten years."

Sir, before dealing with the Resolution, I should like to refer to a few considerations which might be supposed to stand in the way of a discussion of this Resolution. It may be said, in the first place that there is a general expectation that a National Government may soon be established in India: negotiations are being carried on by the Cabinet Delegation with the leaders of the country for that purpose and that in view of this it would be more desirable to leave the policy which is to be followed in regard to the nationalisation of the Army to be settled by a future Indian Government than to consider it at the present time. We all hope, Sir, that the constitutional question will soon be settled and that a National Government will soon come into existence, but the military question is not the only question that such a Government will have to take into consideration when it is brought into being. It will have many other questions also to consider: for instance, those relating to the expansion and development of education, agriculture, industry, and so on, but we cannot cease for that reason to think about these important questions. Why should we then be expected to stop all thinking with regard to military problems simply because we all hope that the efforts of the Cabinet Delegation will soon be crowned with success and that a National Government will be set up at a very early date? Indeed, Sir, if a National Government is to be established soon, it would to no small extent have to depend for the formation of its policies on the material that might be available today as a result of the public discussion of important questions and I think that we shall be rendering a service to any future Indian Government that may be brought into existence if we take into consideration those main questions on which the existence of a genuinely Indian Government depends.

Another objection, Sir, that might be raised to the discussion of this Resolution is that we are yet unaware of the future size of the Indian Army. This is undoubtedly a handicap and I gave my earnest consideration to this matter before giving notice of the Resolution. What I felt was that if the principles that ought to govern the officering of the present Indian Army were satisfactorily settled then whatever the size of the future Indian Army might be its nationalization would cease to be as difficult and complex a matter as it seems to be at the present time. The main question that we have to tackle at present is the nationalization of the Officer cadre of the Indian Army. If we are to devise suitable methods for that purpose, we must divest ourselves of preconceptions and past prejudices and look at the problems created by the changing times form a new standpoint, it will be much easier for us than to consider the problem of finding officers for the future Indian Army than it would be if things were allowed to remain in a state of flux as they are at present and the main question of policy in the matter were left unsettled.

There is one other disadvantage, Sir, that we suffer from in considering the Resolution before the House and that is that we are not yet aware of the details of the British Government's scheme for the replacement of British by Indian officers. In the communique that was issued by the War Department in October last, we were told that the question of the duration of the periods of secondment and attachment would be considered by the Government of India and His Majesty's Government and that the details would be settled later. Besides, His Excellency during the Budget debate dealing with certain questions that I had ventured to raise said that it was his idea to grant short-term Commissions I believe, to Indian officers so that the present difficulties might be tided over and we might feel sure of the *bona fides* of the military authorities. I do not quite understand what the purpose of granting these short-term Commissions is and what is the place that they are meant to occupy in the scheme for the nationalisation of the Army. I hope that His Excellency the Commander-in-Chief will be able to throw light on these two questions when he participates later in the debate.

And, now Sir, I shall turn to the subject matter of my Resolution. I have asked that we should prescribe a period during which the Indian Army should be nationalised and I have based my demand on two grounds. One is that an atmosphere conducive to the rapid formation of a national army should be created and the other that we should be stimulated to put forth our utmost efforts in order to achieve this purpose.

Now, Sir, these two questions though they may seem to be of a theoretical nature appear to me to be of fundamental importance. They go to the root of the matter. We know how difficult it has been in the past for the military authorities to get officers of the right type. A part of the difficulty was unquestionably due to the political atmosphere prevailing in the country and to the uncertainty regarding the position of Indian officers in the Indian Army. If, as I ask, Government make, it clear that they will for their part do the utmost that they can to Indianize the whole army in a short period, there is no doubt that a new enthusiasm will be created in the country. If we can, in addition, have a National Government, we shall have two of the most powerful factors in human nature operating in favour of us—the factors of joy and freedom, which are great uplifting and creative forces in all human affairs. We cannot underrate the importance of these factors; they are among the most effective weapons that any army can fight with. If these factors are absent, then, whatever the armament and equipment of the army might be, we can never feel certain that it would be capable of meeting the strain of a first class war. There is also the question of the military authorities making the utmost effort to achieve the desired result. This means that the questions that face us should be looked at from a new angle, and the most important thing in this connection is, if His Excellency the Commander-in-Chief will pardon me for saying so, that a new spirit should be breathed into the G.H.Q. My short experience of it unfortunately makes me feel that it is a body with somewhat antiquated ideas; I am even tempted to say that it is mentally fossilized. It is necessary to vitalize it if anything great is to be achieved in the military

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sphere. But its vitalization I must frankly confess, seems to me to be a more difficult problem than that of the paucity of candidates to which His Excellency referred.

Now, Sir, I shall deal with the operative parts of my Resolution. My first suggestion is that the appointment of British officers in the grade of Lieutenant or Captain in the Indian Army should be stopped. His Excellency the Commander-in-Chief, speaking during the Budget debate, approved of this idea and said that its realisation requires that the necessary number of junior officers must be forthcoming in India. He told us that for about 300 cadetships in the Indian Military Academy only 195 applications had been received and that he feared that only 25 candidates would be found suitable. If what I have said with regard to the need for creating a new psychological atmosphere in the country has any substance in it, then I for one have no doubt that if the suggestions that I am making are complied with, the situation will be far more favourable than it is today. Young men with suitable qualifications will be much more willing then to accept a military career than they are at the present time. This is not a fanciful hope. I think the military authorities recognise that during the war they were unable to obtain as many first-class candidates as they desired, not because young men with the requisite qualifications were not available, but because they were not prepared to join the army in the existing circumstances. The availability of suitable candidates for such commissions as have been offered from time to time has been recognised since the days of the Skeen Committee. But what has been wanting is the adoption of suitable methods in order to attract the available material to the army.

In this connection, I should like to draw the attention of the military authorities to the recommendations of the Auxiliary and Territorial Forces Committee of 1925. That Committee recommended that the University Training Corps should be regarded as "the foundation stone of the future national army" and that the questions of education in citizenship and physical training ought to be attended to in schools. Have Government paid the slightest attention to these recommendations? I acknowledge with great pleasure the interest taken by the present Commander-in-Chief in the development of the University Officer's Training Corps, as it is now called because of him. We all know that it is now being given training of a higher order than before and that efforts are being made in various directions in order to make the youths of the country studying in the universities more military-minded. But a great deal still remains to be done in this connection, and I venture to hope that if the military authorities take up the matter in right earnest, then, in spite of fact that a great deal of valuable time has been lost, we shall be able to do far more than we imagine; we shall be able to make tremendous progress during the next ten years. Let me add, Sir, before I pass on to another point, that these are matters to which considerable attention has been paid in England. The Junior Officers' Training Corps that were formed in connection with a number of schools before the war had for their purpose the familiarization of the youth of the country with the idea of military service and making them mentally and physically fit to discharge the duties which a military officer is required to fulfil. These questions never having been sympathetically considered in this country, there is no wonder that owing to the backwardness of our educational system, the candidates who now offer themselves for commissions are rejected in large number by the Interview and Selection Boards. I admit that in theory the more efficient the method of selection the better should be the result. But, after all, the methods of selection which we adopt must have some relation to the circumstances of the country and particularly to its educational system. If this is recognised, then, in my opinion, the military authorities should be concerned more with the devising of proper arrangements for the training of the cadets after their selection than with the rejection of a large number of candidates for fear they should prove unsuitable afterwards. In my opinion, in the present educational circumstances of the country, this risk has to be taken and we cannot adopt theoretically the most efficient methods of selection simply because they have been adopted in England.

There is just one more point I should like to urge in this connection. A great deal of the unpopularity of service in the army is due to the complaints made in the

past, and still being made, of the discrimination to which the Indian officers were subjected. I do not want to go into the details of this question because we have discussed the matter repeatedly in the past in this House. I refer to it on the present occasion it is to represent strongly to His Excellency the Commander-in-Chief that the paucity of candidates is due to no small extent to this great handicap from which the Indian Army suffers. I do not accuse him personally of being actuated by racial considerations. In fact, I do not think that there has been any Commander-in-Chief in India since 1857 who has tried as much as he has to infuse a spirit of equality and brotherliness in the Army. But the old system has been too strong even for him and unless he and the G.H.Q. make determined and concerted efforts to deal with this problem, service in the army will not appeal as much to young men of this country as it does to British youths.

Sir, I shall now refer to the question of the selection of officers for permanent Commissions out of the Emergency Commissioned officers who have applied for them. I was infomed by the War Department in December last that by the 1st December, 1945, 1,035 candidates had been examined and that of them, 399 had been found suitable for being granted Commissions. His Excellency the Commander-in-Chief told us during the Budget debate that out of about 1,800 candidates who had been interviewed, 500 candidates had been granted or were being granted Commissions. I take it that the figures given by the War Department and His Excellency the Commander-in-Chief are both correct. If so, they point to a very significant fact to which I must draw the attention of His Excellency the Commander-in-Chief. About 400 candidates were selected out of a total of about 1,000 that were interviewed, by the 1st December, but out of about 700 more candidates examined since then, only 100 have been approved for permanent Commissions. Surely there must be something wrong with the present method of selection if by the 1st December, 40 per cent. of the candidates interviewed had been selected for permanent Commissions while after that, only about 15 per cent. of those interviewed were so selected. I think this is a fit matter for His Excellency the Commander-in-Chief to inquire into. If this is how the present efficient method of selection works, then the sooner it is modified the better, I understand that the officers who have applied for permanent Commissions are officers with 1 to 5 years' service to their credit. I should have thought that the work that they had done during the war and the testimony of their superior officers would be considered to be of more value than any theoretical method of selection. But I understand that many candidates, who to all seeming had proved efficient and would have made good permanent officers, have been rejected.

Sir, if the matters to which I have drawn attention are attended to and if in particular the Indian youth are made to feel that the future Army is going to be theirs and that it will be an Army at the disposal of a free National Government to maintain the freedom of the country, I have no doubt whatsoever in my own mind that the supply of candidates would increase beyond any figure that we can think of now.

Now, Sir, I shall turn to the second question that I have raised, namely, that the Viceroy's Commissioned Officer should be retained at present. We had in the pre-war Indian Army about 3,000 commissioned officers. We have at the present time about 2,400 British officers and a little over 500 Indian officers. If the strength of the officer cadre is not increased, the problem of nationalisation is limited to the finding of 2,400 suitable Indian officers. But if the V.C.Os. are going to be replaced by Indian Commissioned Officers, then the problem will become much bigger. On the eve of the war there were 4,000 Viceroy's Commissioned Officers. We see therefore how greatly will the question of nationalisation be complicated if it is decided to replace the V.C.O. by the Indian Commissioned Officer. Assuming, Sir, that there is no place in the Army of the future for the V.C.O., the question has still to be considered whether the V.C.Os are to be replaced by better educated and better trained officers immediately or after Indianisation has been completed. I am emphatically, Sir, for the latter course.

Now, a word about accelerated promotion to which I attach a great deal of importance. The Joint War Secretary said the other day in the Legislative Assembly that there were 3 Indian Brigadiers at present and that there were

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not more than 30 British officers above them. But the House would like to know, Sir, what has been our achievement in connection with the production of Indian officers during the last 20 or 25 years. During this period, Sir, Russia has produced a first class army. It has defended itself successfully against a first class enemy and its army is the admiration of the whole world. But during the same period the highest achievement to our credit is that we have produced 43 Indian Officers of the substantive rank of Major. Now, what is this due to ? Under the rules in force, that is, peace-time promotion rules, it takes an officer about 26 years to be considered for selection to the grade of Lieutenant-Colonel. But in the other Branches of the Defence Forces in India, the length of service required for promotion to the rank of Lieutenant-Colonel is not the same as in the Army. In the Air Force I understand that it takes only 14 years for an officer to become a Wing Commander, whose status is equal to that of a Lieutenant-Colonel. I do not know what the position is in the Navy, but there too an officer can acquire the rank of Major in about—

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : I may point out that the period of 26 years was the maximum period after which an officer would be promoted Lieutenant-Colonel before the war. Very many officers become Lieutenant-Colonels before they reach 26 years.

THE HON. PANDIT HIRDAY NATH KUNZRU : I am very glad to hear that. It means that the Commander-in-Chief is in principle with me when I ask for accelerated promotion. This makes my task, Sir, much easier. I venture to think that the Indian Army will never be nationalised if we stick to the peace-time rules of promotion. They are suitable when applied to an established service. But they are not suitable when you are trying to create a National Army ; they are a positive hindrance then. If such rules had been observed by Russia it would still be depending on the British, French and American officers for the command of the higher formations. We are told, Sir, that for some time it would be to our own interest if we have British officers of the requisite seniority in the Indian Army. But the British Army before the war was a small one. How are you going then to find an adequate number of British officers of the requisite seniority to occupy the higher posts in the future Indian Army ? Either you will have to give accelerated promotion to the British officers or you will have to retain officers who will retire under the peace-time rules. I do not know what the number of such officers is. But there is a limit to the extent to which officers who are about to retire can be retained. Whether therefore you depend on British or Indian officers, you will have to resort to the principle of accelerated promotion. I do not ask that the British officers in the Indian Army should be turned out. But I take it that a large number of those who are now in the Army will retire in due course. Besides, I am in favour of giving them accelerated promotion too, so that the end I have in view may be achieved quickly.

Sir, these were the main considerations that I wanted to urge in support of my Resolution. If I were asked to give a concrete illustration to show how the higher ranks of the Army can be immediately filled up in some measure by Indian officers, I would draw the attention of the House to the information supplied by His Excellency the Commander-in-Chief today with regard to the number of officers of varying periods of service. He has told us that about 47 officers have put in between 20 and 30 years' service. Surely, Sir, if these officers are worth anything, some of them can be appointed to be Major-Generals of whom we have about 20 in our Army. Similarly, Sir, we have about 59 officers between 15 and 20 years. They find such officers as are not chosen for being appointed as Major-Generals will be available for filling up the positions of Colonels, and Lieutenant-Colonel of whom in all, I understand, there were about 325 in the pre-war army. These examples show that what I am suggesting is to a fair extent practicable now and that it will become much more practicable at the end of the period to which I have referred. Sir, other countries which had greater problems to face have achieved the objective which I have ventured to place before the House and the Government in a short time. I have referred to Russia already. Russia had to create not merely a new army but a new defence system, and it had to build up industries which would supply the army with the weapons and the equipment that it wanted. It had to overhaul the educational system so that educated young men might be available for the commissioned ranks. It has achieved all this and at the same time created a first class army

Again, Sir, the Indian Army officers who were tested in battle showed themselves, I understand, to be thoroughly efficient. Those of them who occupied high positions in the Indian National Army proved themselves equal to their responsibilities. I do not agree with the policy that inspired them, but I cannot help referring to their military competence in connection with the question that we are considering.

Sir, I have placed the main considerations that actuated me in moving my Resolution. I hope that neither he nor the House will feel that the Resolution has been brought forward in a light spirit or that I am taking advantage of the present occasion to make extravagant demands in order to force the hands of the Government. I have, Sir, been giving some attention to military problems for more than 20 years. I cannot say that I even know one-tenth of what a Subaltern does. Nevertheless, I think I may say without any self-complacency that I am in a position to appreciate the main principles that ought to underlie military policy and that His Excellency the Commander-in-Chief may therefore feel certain that the Resolution has been brought forward not in a light-hearted manner but with the serious object of suggesting suitable ways of nationalising the army without impairing their efficiency within a reasonable short period.

THE HON. THE PRESIDENT: I do not think it is necessary to read the Resolution again. To save time I will not read it. I will say therefore that the Resolution is moved. His Excellency may wish to speak immediately.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Mr. President, I am always glad to receive the advice of the Hon. the Mover of the Resolution and I welcome his suggestions in the spirit in which they are given because I know it is a constructive spirit and also because we have one and the same object. Well, let me state that object as I see it. It is, Sir, to create a completely national army, that is an army officered and manned throughout by Indians in the shortest possible space of time without lowering the very high standard of efficiency which obtains in the Indian Army today. That, Sir, I conceive to be our object. The Hon. Member mentions that other countries have built up a defence organisation quickly and I suppose the inference is that India can do the same. Well, Sir, India is fortunate in that she has already an efficient army and as the House is well aware the rank and file of that army today is for all practical purposes 100 per cent. Indian. It is the nationalisation of the officer cadre of that army which constitutes the problems before us today. Sir, it is the declared policy of the Government of India that the British officer element of the Indian Army shall be replaced by Indian officers as soon as possible, compatible with the maintenance of the efficiency of the army as a whole. There is, therefore, I submit, Sir, no ground for controversy on this point. What we are concerned with today is how quickly this declared policy of Government can be put fully into effect. I can see that to be the main theme of the Resolution. As regards other countries and their methods, I rather doubt myself whether we can profit a great deal from their experience. Each country has its own separate and distinct problems of defence and each country must use its own methods suitable to its own circumstances to solve those problems. I suggest, Sir, that our problem is a special one, peculiar to India, and that we should solve it in the way that suits us best. I am very ready to give all my experience and knowledge such as it is to help towards a speedy and efficient solution of this problem.

Personally, I have no doubt that India can eventually produce sufficient Indians of the right type to provide all the officers likely to be needed to lead the armed forces of India in the future.

The deeds and prowess in the late war of that small band of Indian regular officers, not more than 500 to 600 all told which existed prior to 1939, has, in my opinion, proved this beyond reasonable doubt, so far as powers of leadership and technical qualifications are concerned.

Before I go further, Sir, I wish to make one point, which I believe to be of fundamental importance and it is this. In civilian circles it is widely believed that because an officer has proved himself a good junior leader in war—on the battlefield—that, therefore, he must of necessity make a good officer in peace, and the Hon. the Mover of the Resolution referred to this very point. Well, Sir, my experience

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goes to prove that this is a complete and dangerous fallacy. I will not enlarge here on my reasons for this opinion, but I would ask the House to believe me when I tell you that it is much harder to be a good officer in peace than it is in war. Every country that has an army worthy of the name demands a much higher standard from its regular officers, who have the task of building up the efficiency of the army in peace, than it does from the temporary officers it has to create to help to lead the army in war, and I do not think, Sir, you will find any officer of proved experience who will deny this. At least I have still to meet one.

If, therefore, Sir, we are to maintain that essential minimum of efficiency in peace to enable our army to expand to the requisite size of war, we must have the very best regular officers and we must keep our standard of selection at the highest possible level.

Sir, yet another point to which I would like to call attention. In war there is a great deal to be said for young leaders possessing fire and dash, and the enthusiasm of youth and there is no doubt that in battle these qualities mean a great deal. In peace, however, they require to be balanced by knowledge—not only technical knowledge which can be acquired fairly quickly perhaps by some people but by a deeper knowledge of men and things which can only come from long experience and contact with men. Without this knowledge, from which springs the power to judge men and events soberly and in the right proportion, very few of us can become really good officers in peace or war, certainly not in the higher ranks of the army. That is my considered opinion and I beg the House to give full weight to it.

Now, Sir, the House may be interested to have a few figures. According to my present estimate which is necessarily only tentative for obvious reasons, it looks as if we shall need about 9,000 regular officers in the Indian Army of the future. That is in the nature of an estimate. Well, Sir, we hope to get 1,000 Indian regular officers from the 3,000 or so Indian Emergency Commissioned officers who have applied for regular commissions. There will be about 3,000 pre-war regular officers, British and Indian, left in the Army. Sir, these are round figures.

We are about to set up a special class of officer recruited from Viceroy's Commissioned Officers and Indian warrant and non-commissioned officers of long service, to fill certain specialised appointments in units, appointments such as Quartermaster, Transport Officer, Signal Officer. We expect that the total number of officers—and they will be all Indians of course—in this class will be about 1,000 in the whole army. We hope to get by April next year about 100 young regular Indian officers from the new post-war courses now in progress at the Indian Military Academy at Dehra Dun which started in January. These assets give us a total of about 5,100 officers of all ranks, British and Indian, against our estimated future needs of over 9,000.

THE HON. PANDIT HIRDAY NATH KUNZRU : How is that estimate arrived at ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : We arrived at this figure by calculating and planning. We had to make some calculation ; for instance, that the army has so many units and each unit will require so many officers and so much will be our total requirements. We arrived at this figure after a very considerable amount of examination. Unless we lower the standard of selection to a point which I am quite sure it would be wrong to accept, we shall get no more officers from the Indian Emergency Commissioned officers who came forward in such numbers in the late war. These officers cannot be compelled to apply for regular commissions if they do not wish to make the army their career. As I have said we have taken about one-third of those officers who have applied, which is a higher percentage. And incidentally and quite fortuitously, it is about the same percentage as has been accepted by the British Army, using the same methods and standard as ourselves.

To make up this deficit we must depend mainly, in future, on Indian candidates who volunteer for regular cadetships at our Military Academy—that will be the main source of supply of officers, as it is, I think, in most countries. Even if sufficient candidates with the requisite qualifications came forward now we could not

accept them all at once because this would completely upset the age and service balance of the officer cadre which has to be most carefully regulated not only in the interests of efficiency but also in the interests of the officer himself, because if it is not so regulated, you will find many officers who will not be able to secure a reasonable career in the army. Moreover, it would be quite impossible to produce the facilities to train such a large number of cadets simultaneously. We are, however, doing all we possibly can to induce youths of the right stamp to come forward; and I must stress that it is in my opinion essential that we should insist that they are of the right stamp, and I do not think there is any difference of opinion on that point. Those who are accepted will enter the Indian Military Academy at Dehra Dun, which has just restarted to train Indian officers for the regular army. For the first course at Dehra Dun, which started in January or February last, we offered 300 vacancies; we had 1,236 applicants, of whom 126 were found suitable. The figures for the second course, which is scheduled to begin, I think, in August, are: we want 300, and so far 900 have applied. I think there is yet another six weeks in which applications can be sent in; so we expect to get some more. The House will agree that these figures are not too encouraging, but all the same I am optimistic myself and I regard the present shortage of suitable candidates as temporary only. I hope I am right. When the new National War Academy gets into its stride, we hope it will produce 500 or 600 officers annually for all the three services, namely, the Navy, the Army and the Air Force; and of these, the army will get the major share, because it is the largest of the three services. But this production cannot be reached for some years to come, because the Academy is yet to be built.

Meanwhile, we must have recourse to temporary expedients. The first of these is the secondment of British officers from the British Army to fill the gap until there are enough Indian officers sufficiently trained and experienced to take over from them. I think the House is already fully aware of this proposal, and also of the fact that no more British officers are to be appointed permanently to the Indian Army; they will in future be attached only for a short specified tour of service. This does not, of course, refer to the existing regular British officers of the Indian Army, who belong to it permanently.

The second expedient is the retention in the service of Emergency Commissioned Officers, British and Indian, who though they do not wish to apply for regular commissions, may be willing to extend their service for a year or two. There are a certain number of such officers who are prepared to defer their release.

The third expedient is the granting of a number of Short Service Commissions to Indians already serving in one rank or another. This includes cadets at the Officer's Training School. These commissions would be for five or three years according to the age of the applicant. We hope we may get some 2,000 short service officers—that is merely our guess; that is our estimate—by this means, which will help to tide over the period until the National War Academy gets into its full stride.

Now, Sir, I have stated our problems as briefly and clearly as I can, and I think the House will agree that it is not a simple one, assuming, as I do, that they are determined to maintain a high standard of efficiency in the officer cadre when it is fully nationalised.

Sir, the Hon. the Mover has asked that the appointment of British officers in the grade of captain or lieutenant be stopped. I have said that no more British officers are to be appointed permanently to the Indian Army. It is my intention that the grades of captain and lieutenant shall be filled by Indians as soon as a sufficient number of suitable candidates are forthcoming. The achievement of this object depends entirely on the coming forward of suitable Indian candidates for regular or short service commissions. At present, as I have explained, there is a definite lack of suitable candidates, and I hope this may be rectified before very long. Meanwhile, Sir, I should be quite wrong to say that no more British captains and lieutenants will be *attached* to the Indian Army, as, in present conditions—and I emphasise, "in present conditions"—any such restriction would be liable seriously to affect the efficiency of the army. But I would again stress that as soon as a sufficient number of suitable Indian candidates are forthcoming, those grades will be filled by Indian officers. That is the intention.

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The Hon. Mover then suggests that the Viceroy's Commissioned Officers be retained for the present. I may say at once that this is the intention of Government. If we had to replace all the Viceroy's Commissioned Officers by regularly commissioned lieutenants, our total requirements would rise, according to my calculation, from 9,000 to 11,000. All other considerations apart, I think it will be obvious from what I have already said that we cannot face, for the time being, a commitment of this size. It is therefore proposed to retain the Viceroy's Commissioned Officers for the present.

Then, Sir, the Hon. Mover asks that deserving Indian officers should be given accelerated promotion to increase the numbers of Indian officers required to fill the higher grades in the army. This is already being done, as will, I think, be apparent from a study of the number of Indian officers holding high grade appointments today compared with the figures of, say, three years ago, and I can furnish these figures to the House, if desired. I can do that now.

THE HON. PANDIT HIRDAY NATH KUNZRU: We shall be very glad if His Excellency the Commander-in-Chief gives us the figures now.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I have taken January, 1943, and April, 1946—or, anyway, the first quarter of this year, because the figures change from day to day—and in January, 1943, the number of Indian officers holding lieutenant-colonel's command—that is, the command of big units—was 9; in January of this year it was 54. As regards staff appointments, in 1943 there were no Brigadiers at all; there are now 4. Colonels in first grade staff appointments in 1943, there were two, and today, there are 31. The Hon. Mover of the Resolution quoted the figures which I gave him this morning to say that there are 59 officers with commissioned service of between 15 and 20 years, and 47 officers with commissioned service of between 20 and 30 years. I have added these quickly, and it comes to 106. If you add the 54 officers in charge of big units and the 31 staff officers, it comes to 85, which, I submit, out of 106 senior officers, is not a bad proportion.

I would, however, once again ask the Hon. Mover and this House to remember the need for knowledge and mature experience in officers holding high appointments in the army in peace, and I beg that the pace may not be undul · hurried. I say *unduly* and I mean it as I am quite sure that *undue* haste in this matter is likely eventually to retard rather than to accelerate progress. Sir, I say this in all good faith and with no intent to hinder progress. I would like to add that this matter is constantly, almost daily, under my close personal supervision.

Finally, Sir, the Hon. Mover suggests that the Indian Army should be nationalised in ten years from now, by which I am sure he means that by that time all British officers from the highest to the lowest shall be replaced by Indian officers.

Well, Sir, it might be possible—I do not know, but it might be possible—that in some branches of the army this target could be achieved but I think it would be highly dangerous and most undesirable to make a categorical declaration to this effect and it would be even more dangerous and unreal, I think, taking everything into consideration—and there are very many things that will have to be taken into consideration as I am sure the House will realise—to apply such a declaration to the whole army especially in the more technical branches, the Artillery and Signal Corps.

I have tried, Sir, in the course of my short speech to set out the various factors which affect the solution of the problem, and I trust I have made it clear that there are many imponderable and unknown elements in these factors which, in my considered opinion, make it impossible to specify an exact period for the achievement of the complete nationalisation of the officer cadre of the Indian Army.

I claim, Sir, that no one has the present and future interests of that army more closely at heart than I have. I have pledged myself to give effect to the policy of complete nationalisation as rapidly as may be possible without impairing efficiency, and I say once more that I am applying myself to this task with no mental reservations whatsoever. I shall continue to do this for so long as I hold my present appointment.

I am quite sure in my own mind, however, that having regard to all the factors involved, it would be wrong and unwise for me to accept the Hon. Member's proposal for complete nationalisation in ten years' time, because I have no certainty that it would be possible to carry it out in the conditions explained by me.

I would, therefore, ask the Hon. Mover of the Resolution to trust me to carry out my pledge to the very best of my ability and withdraw that part of his Resolution which refers to the setting of a period for the completion of nationalisation.

I would also ask him and all Hon. Members of this House to do all they can to ensure an adequate flow of suitable Indian candidates for regular commissions in all three of India's Fighting Services—not only for the Army but for the Royal Indian Navy and the Royal Indian Air Force as well.

In conclusion, Sir, I would venture with all due respect to remind Hon. Members that before long this very heavy and complicated responsibility for the upkeep, welfare and efficiency of the armed forces of India may pass to them, and that it is perhaps unwise to do anything now which may make the task more difficult in the future. (Applause.)

THE HON. THE PRESIDENT : Do I understand you to say that you wish the Mover to withdraw the first part of his Resolution ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : The portion relating to 10 years.

THE HON. PANDIT HIRDAY NATH KUNZRU : I want to know what exactly His Excellency the Commander-in-Chief's suggestion amounts to ? What are the words that he would like me to drop ? Can he propose an amendment in order to make clear what exactly he has in his mind ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : It is rather difficult but what I would like the Hon. Mover to withdraw, if he would, would be his suggestion that the Government should agree to a declaration that the nationalisation of the Indian Army should be accomplished in 10 years.

THE HON. THE PRESIDENT : That was part of the Hon. Member's speech. The Resolution is worded differently.

THE HON. PANDIT HIRDAY NATH KUNZRU : It is stated in the last part of the Resolution.

THE HON. SIR MAHOMED USMAN (Leader of the House) : His Excellency the Commander-in-Chief would like to have some time. He would give his suggestion later on.

BRIGADIER THE HON. SIR HISSAMUDDIN BAHADUR : (Nominated Non-Official) : Sir, I rise to give my hearties support to part (b) of the Resolution regarding the retention of the Viceroy's Commissioned Officers. As His Excellency has explained everything, I need not go into the details of the other things. But with permission of the the House, I would like to say something about the retention of the V. C. Os.

Having been one myself I am convinced that V. C. Os. form the backbone of the Indian Army and when Indianisation comes into full force, this fact will become even more apparent.

Early marriage is an age old custom among Indians. Let us be frank with ourselves and consider the implications of this fact. In peace time, officers will probably live at a considerable distance from the lines and will not take such paternal interest in their men as they would, if away from their families. The importance then of the V. C. O. who lives in the lines is surely apparent, for it is he alone who will establish that essential link between the officer and the men. Would any officer with long experience of the I. A. deny that the subedar major of a regiment or battalion is the C. O.'s right hand man ? Assuredly not. If the V. C. O. is done away with there will be no one to take his place. It is equally ridiculous to imagine that a warrant officer could replace a V. C. O. for the simple reason that the former will never command the same respect as the V. C. O.

The V. C. O. is a proved asset — he has done wonders in the past and in a country whre we have "clear recruitment" it is vitally important to have such an element and to leave the officers to do the responsible duties which require thought, training and

[Sir Hissamuddin Bahadur]

education. I am of the definite opinion that the V.C.O. should not be abolished as owing to the short service system in the army and abolition of the V.C.Os., the soldiers do not consider the army their home and real source of their livelihood, keeping the tradition of their regiment and be proud of their being in possession of medals. They just work and serve to get pay, there being no scope whatsoever for promotion to the rank of jamadar or subedar or subedar major, etc.

Also, in his own regiment, the V. C. O. is the only person who knows whether the recruits coming to his unit are of the right type or not.

Again, if the V. C. O. is done away with, the effect upon recruiting will be very considerable. There is in my opinion no doubt that the large majority of recruits have a Viceroy's Commission as their goal. This attitude is ascribed not so much to thought of pecuniary gain as to the attainment of izzat on retirement, by which I mean the privilege of "Kursi Nashin" among civilians. If you take away the V. C. O. there will be no one in the villages to take part—again we must face facts—in the eternal wrangle that goes on between civilians and demobilised soldiers in villages and ensure fair play for all.

One last point. It is rarely that the highly educated turn out to be the best leaders in battle. It is only when the acid test comes that a C. O. discovers his real leaders. I know heaps of cases in which men who could not pass their third class certificate of education turned out to be the best leaders in war. It must always be possible to promote such men to higher rank than havildar or warrant officer so that full advantages may be given to the high powers of leadership they have shown. Is it not a fact that in Gurkha regiments almost entirely uneducated C. O s. are often put in command of companies while inexperienced B. O.s serve under them ? Are Gurkha Officers so very much superior to our present day V. C. O s. ? Certainly not.

In conclusion, Sir, taking all the above points into consideration, I am convinced that with the future efficiency of the Indian Army in view, it would be the greatest mistake in the world to do away with the V.C.O.

THE HON. MR. M. THIRUMALA ROW (Madras : Non-Muhammadan) : Mr. President, it seems to be a happy augury of coming events that the Opposition and the Government Benches have been so near agreement today with regard to a very vital question that affects the future of this country. The Cabinet Mission is here, Sir, and the background of the Resolution has been touched upon by the Mover of the Resolution ; and the spirit in which the Government has responded to the call of the popular representatives is welcome and I welcome that spirit, Sir, on behalf of my Party also. We are very much indebted for the figures that have been supplied by the Commander-in-Chief that we require about 9,000 officers in the near future if the higher ranks of the Army are to be Indianised. He has also said, Sir, that the Government accept the principle of nationalisation of the officer cadre of the Indian Army. The force of circumstances and the stress of the recent war have created a situation in this country that has brought out the best of the martial spirit among every section and community in this country. If you see the history of the army in India, it is one of sorry story. Now the Commander-in-Chief himself assures that he is one of the best guardians of the interests of the defence of nationalist India, I mean India as a whole. But I am not very much convinced about his disagreement to the time limit which was reasonably proposed by my Hon. friend Pandit Kunzru. Here the Cabinet Mission comes with a proposal that they are going to quit India, that they are going to negotiate a Treaty on perfectly equal terms. The British Prime Minister Mr. Attlee makes a statement that the question of independence and self-determination have been decided in principle. If the question of complete independence to this country is decided in principle, it remains how that independence is to be achieved or how that power is to be handed over into the hands of the representatives of the people. Independence is an old proposition it is not a new proposition ; it inculdes the defence of the country as a whole. When you concede that India is completely equal in status to Great Britain, it is completely outside the trammels of the British Empire, and it is perfectly equal in political status with every other country in the world, it is also just that India should have an Army and Defence of its own, uninfluened by any considerations of British connection. The new Government that comes into existence must decide what form of relationship should exist between high military authorities in England and the military authorities in India. You have been able to create a cadre of officers in India that has won

laurels on every battle-field outside the shores of India and has saved you, the Empire as it is today. In African deserts, in the Libyan deserts, in the Far East and in the Middle East, it was the cream of the Indian Army that has come to the rescue of British and Allied Nations and saved them on many critical occasions. You have created a vast number of officers who have proved efficient and equal to the task that has been imposed upon them by one of the ruthless enemies that history has ever known. On my left is sitting Flight-Lieutenant Rup Chand, coming from a very high family, who has risked his life in support of the British Government. He was found quite fit and suitable to be an officer in the Indian Air Force. There are several others who have also risen to the highest rank and fame in the discharge of their duties on the battle-fields ; and if we are to have an army of our own, we should not, I think, be prevented from bringing experts from Russia, even from Germany, and also from the United Kingdom. The moment India attains a status of complete independence, the present Commander-in-Chief will be the adviser to India's National Government for the defence of the country. He will be on a footing of an employee of the new Indian Government. I am not convinced of the argument that it requires more than 10 years to have the 9,000 officers. According to the figures that the Commander-in-Chief has given, they have got 5,100 officers already. He has not given us the proportion of the foreign element in these 5,100 officers. I should be obliged if he could give me that information now. There are a certain number of European officers among the 5,100 and if you subtract that number that has also to be made good by Indian officers. The number that has to be made in the next 10 or more years will be more than 5,000 officers, if the total number of 9,000 officers was to be reached. But what I feel is that there are estimates of others who think that within the next 5 years the whole of the Indian Army, Army, Navy and Air Force, can be completely manned and equipped by Indians alone. This is a Resolution which is tabled under the present constitution, though it envisages a situation when the present state of affairs is bound to change completely beyond recognition. From that point of view, Sir, while supporting the Resolution, I want to make it clear that a National Government for India will be eager to Indianise the whole of the officer ranks as soon as it is possible. Being a layman, I cannot quite understand the difficulties of war-time officer-ship and peace-time officer-ship. To some extent I accept the expert advice of the Commander-in-Chief. But still we do not stop there and take the advice of British Army experts only. The nations of the world have produced many army experts and many ways of developing a national army. Russia within a short period of 3 or 4 years was able to put in the field thousands of officers and millions of men to fight the German menace. So also India, Sir, the 8th Army and the 14th Army have made history and they have warded off the danger both in the East and the West. From the figures that have been recently supplied by Mr. Mason, the War Secretary, we see the present strength of Indians in the Army is as follows. Out of 63 Major-Generals in the Army, Indians Nil ; out of 120 Brigadiers, there are 4 Indians ; out of 214 Colonels, there are 23 Indians; and out of 1,868 Lieut. Cols., there are 240 Indians.

Sir, I do not want to take the time of the House much but even during the second World War the accepted principles of British Imperialism have not been forgotten. The composition of the Indian Army has been based on the superiority complex of the Britisher. I will just quote two sentences of Lord Roberts, who was a stout opponent of granting commissions to Indians :—

" It is this consciousness of the inherent superiority of the European which has won for us India. However well-educated and clever a native may be, and however brave he may have proved himself, I believe that no rank that we could bestow upon him would cause him to be considered as an equal by the British officer or looked up to by the last joined British subaltern."

It is the principle of that spirit of superiority complex that has permeated the British Generals of the Indian Army even in the World War No. 2 because the figures that I have just quoted given by Mr. Mason as late as March, 6th, 1946, bear ample testimony that Indians have not been allowed to occupy important positions of responsibility and leadership in the Indian Army even when there was dire necessity for such a step. Therefore, Sir, what I want to urge upon them is that time has come when a completely nationalized Indian Army, manned and controlled and led by Indians, should be immediately formed in consultation with a Government that is responsible for the defence and protection of this country, and if all the British professions prove true, we hope that a day will come soon—sooner than most expect—when we can fulfil those cherished ideals which this Resolution envisages.

[Mr. M. Thirumala Row]

With these words, Sir, I have pleasure in supporting the Resolution.

THE HON. THE PRESIDENT : (to His Excellency the Commander-in-Chief) : I think we can adjourn at this stage till after lunch. This will enable Your Excellency to place amendments before the Mover of the Resolution who, after considering them, can tell me whether I should put the Motion to vote formally.

THE HON. PANDIT HIRDAY NATH KUNZRU : I have not been able to hear you, Sir. What have you suggested ?

THE HON. THE PRESIDENT : I have said that I will adjourn the House now and we shall await amendments from His Excellency the Commander-in-Chief. He will place the amendments before you and after considering the matter you can tell me whether I shall put the Motion before the House formally. Do you agree to that ?

THE HON. PANDIT HIRDAY NATH KUNZRU : Yes, Sir.

THE HON. SIR MAHOMED USMAN : I think, His Excellency the Commander-in-Chief is prepared to speak now.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : I am prepared to reply now Sir.

THE HON. MR. V. V. KALIKAR : I thought that you were going to adjourn the House now and that we would be meeting after lunch at half past two.

THE HON. THE PRESIDENT : Do you want to speak before His Excellency the Commander-in-Chief ?

THE HON. MR. V. V. KALIKAR : Yes, Sir.

THE HON. MR. V. V. KALIKAR (Central Provinces : General) : Sir, the Resolution of my Hon. friend Pandit Kunzru is a very modest one and the speech he delivered this morning was in the most moderate language. Sir, we have been told by the British statesmen that we are getting a National Government very soon. If we are really having a National Government soon we shall have to consider seriously about the maintenance of the independence of India and therefore we must have a National Army as early as possible. My Hon. friend Pandit Kunzru has fixed a period of ten years to which His Excellency does not agree. I may bring to the notice of the House the report of the Shea Committee which was appointed by Lord Rawlinson.

THE HON. THE PRESIDENT : May I just correct you a little ? His Excellency said that though some branches of the Army could be nationalised in ten years he did not think the whole Army could be nationalised within that period.

THE HON. MR. V. V. KALIKAR : I am coming to that. I am just citing an instance to show that the period even now can be curtailed. We can have a national Army even within a period of five years and that statement I am making on the basis of a report of experts in the year 1922. The Committee then appointed declared that the Indianization of the officer rank of the Army could be completed within a period of 30 years. That was in the year 1922. Sir, if we count and estimate the period we come to this conclusion that we can Indianize the whole Army in the year 1952. But, Sir, times have changed. According to that report, Sir, the whole officer rank itself could be Indianized in 1952 but what I submit is that times have changed and our young men have proved their valour, courage and tenacity in the last World War. I refuse to believe even now, Sir, that suitable candidates are not available in India. This theory—that a large number of suitable candidates are not available in India—has been argued and argued so many times and I have been listening to that theory since 1933. In 1933, the then Commander-in-Chief, Sir Phillip Chetwode, stated in reply to my Resolution which demanded an increase of 60 more cadets for the Dehra Dun Military Academy that he was not able to find 120 suitable cadets in India who would be able to man the Indian Army. Now, Sir, in this war we found so many Indian youths of the right type who shed their blood and who have won victories not only for India but also for England too. So, Sir, I do not subscribe for a moment to the view that the efficiency of the Army would be impaired in any way. There must be some distinction between the standard of efficiency observed in England and the standard of efficiency observed here. Here in India the examinations that the Selection Boards take do not appeal to the Indian youth. Apart from the political

reasons why a large number of candidates did not turn up during the war time apart from the considerations that the Indian youths felt that they were not treated properly by their British superiors, the recent system of selecting candidates does not appeal to many of the youths. My own view is that some change is necessary in the system of selection, and if that change is introduced, there will be a very large number of cadidates appearing before the selection board ; and I can assure His Excellency the Commander-in-Chief that he will find in India a very large number of suitable candidates who will be able to man the defence sevices in India. From the answer to a question asked by my Hon. friend this morning, I find that on the 1st January, 1946, there were 2,366 British officers and 679 Indian officers.

I submit, Sir, that the policy of Britain of not placing confidence in Indians and of not allowing Indians to man their defence services is responsible to a very great extent for the paucity of suitable candidates. Since the Act of 1919 was passed various resolutions were moved in the other House, and in this House too, and committees were formed like the Skeen Committee and the Sandhurst Committee, but real fillip was not given to Indian recruitment to the defence services. The Indian youths wete not told definitely that they had to defend India. They were always told that the defence of India was to a very large extent the concern of the British officers. That policy is responsible to a very, very great extent for suitable candidates not coming forward in large numbers to join the Indian army. Now the position has changed. You have declared in unequivocal terms that you are granting self-government to us in a very short time. If that is the case, then you have to make provision for maintaning that independence by evolving a defence scheme. All the defence services should be nationalised within a limited period. According to me, the defence services can be nationalised in five years' time. If you mean to do that, you will succeed in your attempt. But if you mean to prolong the stay of British officers in India for a longer period, your department can find a hundred and one excuses for that policy. His Excellency the Commander-in-Chief, as I have stated on the floor of the House on so many occasions, takes very great interest in this matter. But he is not a free master in this matter. I personally think that if he brings pressure on the authorities who do not allow him to go the whole hog, if he convinces them that suitable Indian youths can be found in India in very large numbers to man the defence services, I should think there would be no difficulty in nationalising the officer ranks of the defence services in five years' time. However, as my Hon. friend the Mover has fixed a period of ten years, I have absolutely no objection. But I should like that period to be curtailed and that Indian youth should man the defence services of India within five years.

THE HON. SIR N. GOPALASWAMI AYYANGAR: Sir, the suggestion made by His Excellency the Commander-in-Chief raises issues which are of more than ordinary importance at the present juncture. If Sir, you will let us adjourn at this stage and come back, we shall have thought out in what way we can meet the wishes of His Excellency the Commander-in-Chief without really surrendering the position which has to be taken on behalf of the country as a whole. I suggest, Sir, that you give us this Lunch interval for the purpose of considering this matter, and after the Luch interval, if you permit me, I shall proceed to state my remarks. My suggestion is that the point about his not being able to accede to a time limit is so important in connection with what is going to happen almost immediately, that it would be difficult for us to agree to the position taken up by the Commander-in-Chief. But we shall put our heads together and see whether we can arrive at a formula which will satisfy us as well as satisfy His Excellency.

THE HON. THE PRESIDENT: Does the Hon. Member want to know the proposal of His Excellency ?

THE HON. SIR N. GOPALASWAMI AYYANGAR: Not exactly. We shall be able to make a suggestion after Lunch.

THE HON. PANDIT HIRDAY NATH KUNZRU: If we knew His Excellency's suggestion now, we could give thought to it during the adjournment.

THE HON. THE PRESIDENT: There are other Hon. Members wishing to speak also. How can I press His Excellency to speak now ?

THE HON. MR. G.S. MOTILAL : Can we have some idea as to what His Excellency proposes should be done, so that we may apply our minds to it during the interval ?

THE HON. THE PRESIDENT : I have no objection, if His Excellency so wishes. His Excellency will of course have the right of final reply, and the Hon. the Mover also will have the right of final reply.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : Sir, the main portion of the Resolution as I see it, is the setting of a period of ten years for the nationalisation of the Indian Army. I find some difficulty in asking the Hon. the Mover to withdraw his Resolution, because there are certain parts with which I agree. But my only course is to ask him to withdraw the whole Resolution.

The Council then adjourned for Lunch till a Quarter to Three of the Clock.

The Council re-assembled after Lunch at a Quarter to Three of the Clock, the Hon. the President in the Chair.

THE HON. SIR N. GOPALASWAMI AYYANGAR : (Madras : Non-Muhammadan) : Sir, the Resolution before the House has for its object the achievement of the nationalisation of the Indian Army at the earliest possible moment. With regard to this word "nationalization" I should like to say a word or two. There is first of all nationalization in the sense of the Indian Army being under the entire control of a National Government in this country. The other sense in which we can use the word "nationalization" is what in the previous literature on this subject has been described as the Indianisation of the Indian Army. Now, Sir, so far as the first of these two senses is concerned, we have got to reckon with the fact that a National Government might come into existence very soon. We have a Cabinet Mission at work here, trying to discover ways of transferring British power to Indian hands at the earliest possible moment and nobody, whether on the side of of Britain or on the side of India, is really contemplating any interval like 10 years for this transfer being completely effected. Therefore, Sir, we have got to reckon with the fact that a National Government will come into existence much sooner than 10 years. There is to be an interim Government also. During the period that the interim Government will be in office a permanent constitution is proposed to be framed and we all expect that the permanent constitution will come into being, say, in the course of the next two or three years. Even during the period that an interim Government may be in office I think it is in the contemplation of everybody who has given thought to it that that Government may be a National Government in the full sense of the word, that is to say, power in regard to all aspects of administration will be entirely in its hands. So, I take it, Sir, that so far as the first sense in which one could understand nationalization, that is to come into being almost at once. So far as the Army is concerned, it is, I think, contemplated that even in the interim Government there will be a Civilian Member of Council who will hold charge of the Defence portfolio and I think it would be only in consonance with that state of things that whoever happens to be the Commander-in-Chief in this country will work under that National Government with a Civilian Member in charge of Defence so that the entire policy as regards recruitment, transfer, promotion and everything connected with the administration of the Army at the higher administrative levels, not technical levels, will come under the purview of this National Government. Now, it is quite possible to take the view that if we visualize the coming into existence of such a National Government at so near a future, we might well leave it to that National Government to decide how this process of Indianization of the officer ranks of the Indian Army should be accelerated.

So far as the problem of Indianization is concerned, it has already been pointed out by His Excellency the Commander-in-Chief that the rank and file of the Army is entirely Indian at the present moment. The problem is really one of Indianising the officer ranks of the Army. So far as that is concerned, I see that British officers serving with the Indian Army all under two calsses. One set of officers are known as the attached officers. They are not really members of the Indian Army. They are officers lent to the Indian Army for a particular period. There are however

also regular members of the Indian Army who are Britishers. The problem really relates to the Indianisation of this portion of British officers serving in the Indian Army, because, so far as the attached officers are concerned, they come into the Indian Army for the time being. They come under conditions which are settled between the Government of India and the War Office. With regard to what you might call the British element in the Indian Army the question has been simplified by the acceptance by Government of the policy that there will be no direct recruitment of Britishers to regular Commissions in the Indian Army in the future. That disposes of the question of the coming, at the foot of the cadre of Army service in this country of Britishers. The real question, therefore, narrows itself down to what we are to do with those British officers who are already holding Regular Commissions in the Indian Army. So far as that is concerned, I wish to lay before the House one consideration. If we are going to have a National Government and if that Government is to build itself on the support which a National Army could give it, it is for that Government to say how soon the Army should be thoroughly indianised. It is unlikely that they would themselves agree to anything like a period of 10 years before the officer cadres of the Indian Army are thoroughly indianised. There is of course all the technical objection that His Excellency the Commander-in-Chief has been placing before us ; but I do not think, Sir, that really affects the question. We have got to have an Indianised Army and it is for us to say how many of the officers of the future Army, after a National Government comes into power, shall be Britisher and how many of them shall be Indians ; and if that entails a reduction of the British strength in the officer ranks of the Army, that reduction has to be effected. It is possible, Sir, that there would be two difficulties which will face us when such a decision is taken. One is that we may not have Indian officers of sufficient seniority to man the higher ranks of the Indian Army. For that, Sir, my Hon. friend has proposed that accelerated promotions should be given and it is possible—I only mention this for His Excellency's consideration—it is possible that when such accelerated promotions are given the interests of British officers in the Indian Army might be prejudicially affected. We have to be prepared for that sort of thing. Like all Governments which do such things, we should be prepared to give adequate compensation to all people already in service whose interests are affected in that way. It will not be impossible to devise a scheme of compensations which would be considered adequate by British members of the Indian Army who might be prejudically affected. The other question is, Sir, whether we should really want that every Britisher who holds a regular commission in the Indian Army in the higher ranks should be replaced by an Indian at once. I do not think that the coming National Government would be acting so foolishly as to get rid of every Britisher as soon as it comes into office. It will not be to its interests to do so ; it will be to its interest to retain as many of them and take advantage of all the training and experience they have had in the Army. Even when they retain a considerable number of Britishers, so long as those Britishers act up to the advice which His Excellency the Commander-in-Chief, I find, gave them the other day namely that they should loyally serve the new Government of India in the same way as their Indian brethren served the present Government of India in the past, so long as they follow that advice and are under the entire control of the National Government, I would still consider the Indian Army in those circumstances a National Army. It does not matter that a number of Britishers actually hold office on that Army so long as they are under the National Government's control and so long as it is understood that they should give place to Indians as soon as they are available in sufficient numbers and of adequate capacity. I consider that that Army becomes nationalised as soon as the new Government comes into power.

I do not wish really to pursue this question of time limit in this Resolution. I can quite understand the difficulty of His Excellency the Commander-in-Chief in agreeing to a time limit as is suggested in this Resolution. No doubt, Sir, time limits were proposed in the past, recommended by Committees, but none of them has really been effectuated ; and that experience, Sir, is responsible for my Hon. friend Pandit Kunzru asking that this nationalisation should be brought about at least within the space of 10 years. I do not think that His Excellency the Commander-in-Chief, representing the present Government can really give us a guarantee as to any time limit in this matter. Things are going to change very

[Sir. N. Gopalaswami Ayyangar]

rapidly. Personally, Sir, what I would suggest is that we should have a Resolution somewhat in these terms, if consideration could be given to it :—

"This Council recommends to the Governor General in Council that the nationalisation of the Indian Army should be accomplished without avoidable delay and that for this purpose during the interval between now and the New Government coming into office the following steps be taken—

(*a*) the appointment of British officers in the grade of lieutenant or captain in the Indian Army should be stopped ;

(*b*) the Viceroy's Commissioned Officer should be retained ;

(*c*) deserving Indian officers should be given accelerated promotion to increase rapidly the number of Indian Officers required to fill the higher grades."

I would stop there. If it is acceptable to the Hon. Mover and His Excellency the Commander-in-Chief, we may all agree.

THE HON. MR. G.S. MOTILAL (Bombay: Non-Muhammadan): Sir, I rise to support the Resolution which was moved this morning by my Hon. friend, Dr. Kunzru. I am in agreement with the spirit of the Resolution. Sir, it is our common experience that whenever a change is sought to be introduced in the *status quo*, ready acceptance is difficult to find. I know that the Commander-in-Chief is one of those bold and courageous people who do not fight shy of the changes but even a bold and a brave soldier that he is it is not he alone who has got to make a decision in this matter. If the decision were entirely left to his sole discretion I am confident he would have gathered sufficient courage to accept it, but there are many things which have got to be considered and I can well understand the reluctance of the Commander-in-Chief to accept the Resolution. Changes in the military organisation have been suggested by the representative of the people in either Chamber of the Indian Legislature and every time difficulties which the Government felt were brought forward, coupled with the sympathy which they expressed for such demands Until 1918, in spite of all the previous demands, there were very few Indian officers in the Indian Army. The Indian Army is composed of two sections : the British Army which has been described as an Army of Occupation and the Indian Army which is composed of Indian soldiers. The British Army is composed purely of the British soldiers. But the pressure which has been brought by the popular representatives from time to time has yielded some results, results, not very satisfactory but still a beginning was made and at the end of the war we found that out of 3,200 officers—the figure has been changing from time to time—and when we refer to the reports we find that in some reports the figure given is somewhat different from that given in others. These changes are inevitable but the fact remains that the number of Indian officers was about 400 to 500 at the beginning of the war and this war proceeded a great experiment. The Government had apprehended before the war that they might take Indian officers but the real test would come when they went through a war and when the second war came no less than 9,000 Indian officers were taken and given Emergency Commissions. They were shy of taking 1,000, or 1,200, or 1,500 or 3,000 officers before the war but this stress of the war compelled them to take no less than 9,000 officers. The officers have gone through the test of the crucible of the war. No one can now say of these officers who had no previous experience but stood the test and acquitted themselves in a manner which has drawn the highest encomiums from all the authorities concerned, that the new officers were not be of a suitable type.

Sir, India is a very large country. The population of this country is ten times larger than that of England. What we fail to understand is that a population ten times more should be unable to supply the officers required for her own Armies. There is some thing which is very much enigmatic about it. We also know that small countries like Persia, Afghanistan and a large country like China on the other hand—leave alone Japan and other countries—have all supplied their officers for their Armies. They perhaps employed for short intervals experts, who were not retained after they had trained the officers of such countries. There are difficulties as has been pointed out by the Commander-in-Chief. I was reading the communique which was issued by him on 22nd October, 1945. It forms an Appendix to the

Sapru Committee Report and this is what His Excellency the Commander-in-Chief said in that communique :

" The scheme he had in mind would work somewhat as follows : As many Indian cadets as offered themselves and were found suitable would be accepted. If to begin with there were not sufficient young Indian officers from among the Second Lieutenants and Lieutenants, he would ask the War Office to produce the required number of British officers until a sufficient number of Indians were available. These British officers would be attached for, say, three years. After that they would revert to their British regiments or units, with which they would have to remain for a year or two. Thereafter they would be allowed to come back to India, if needed.

The point was that they would have no permanent lien on the service in India."

This was the statement made by His Excellency the Commander-in-Chief and the Resolution also asks that this should be done, with this proviso that the British officers should not be recruited now in the Indian Army. I do realise that it is an important change but a right and necessary change if we wish to succeed to Indianise the officer ranks of the Indian Army as rapidly as possible. The time required for complete Indianisation was estimated by different people and committees so differently. But we have now got to remember this very salient fact that if during the seven years of war period India could supply 9,000 emergency officers, how could one believe that these 9,000 officers cannot now be supplied by India. Is it a question of education ? It has been said that the present system of education is not satisfactory. But this did not stand in the way of the recruitment of the emergency officers. The system of education which prepared them was no better. There is nothing to prevent the system of education being improved. We would all welcome it. I visited the Dehra Dun Academy in the year 1940. The Commandant was very courteous and polite. He took me round the Academy and showed me every department of it and asked me to put some questions to the boys there. I did put a few questions to our boys, and I could see that they were not able to understand the questions very fully. Then I asked them some questions in Hindustani, I found that they could follow the questions better.

Sir, there may be another reason, and I am aware of that ; that reason is that as long as you have not got a National Government at the Centre here, the people of India are not all agreed that they should serve in the army. I asked some boys very near and dear to me, and advised them to enter the army. Those who had a liking for it, adventurous youths, were not so very willing to enter the army which is not controlled by a National Government. Now changes are inevitable, and that will make a lot of difference. If a National Government is established at the top. I think the plea which is now available to the Government will disappear; they will find that there are no two opinions in the country with regard to the desirability of entering the defence services, and we shall get plenty of good material—material which should satisfy every impartial judge.

Sir, for these reason, I give my support to the Resolution. Only one point there is to which I have got to refer, and it is this. What seems at present to trouble His Excellency the Commander-in-Chief is the time-limit of 10 years. Our experience in the past of the phraseology of as soon "as possibl " and so on has not been very happy.

THE HON. THE PRESIDENT : Here is a fixed term.

THE HON. MR. G. S. MOTILAL: A fixed term true it is ; it will make the authorities tackle the problem in right earnest. If it is left to me or to you or to anybody else to say that the term of this Council shall be as long as may be possible, it might even be 20 years or more. But when it is fixed for three years, it comes to an end at the end of that period. In the same sense if we fix 10 years now, we do so because we visualise that in 10 years it will be possible to evolve a completely national army.

THE HON. THE PRESIDENT : Your successors may disagree with you and may say it should be 12 years.

THE HON. MR. G. S. MOTILAL : If they disagree they will have to convince us and the country, or they will have to give place to those who insist that they would have a national army within ten years or a shorter time than that.

[Mr. G. S. Motilal]

Sir, changes are imperative in the composition of the army. The men who are serving in the army know the difference between being ordered by men of their own country and being ordered by men who are not their own countrymen. It is for the Englishmen to order their own men in their country. Let them come here as technicians. We are prepared to take them. We need not go to other countries unless and until we find that England is unable to give us the technicians that we may require. At the same time there is nothing wrong in our going and taking the help and advice of other countries. Did we not in war time see the High Commands of various countries meet and discuss plans ? That is the usual thing to do, and I do not expect that there will be any difficulty from our friends in England if we take some help and assistance from other countries. They will probably like that the Indian army should be as efficient as possible. The Indian army will also be a source of strength to them. But let it be a national army. This has been the demand of the country. This is the heartfelt desire of every Indian. We all realise how unreal self-government is if it does not control the armed forces of the country—control them in the sense that they are commanded by officers who are the nationals of the country.

Sir, the Resolution is one which is deserving of the fullest sympathy at the hands of the Government at a time when these changes are in their mind, when England has made up her mind, as it has been declared from the housetops, to hand over power to Indians. Only the other day Sir Stafford Cripps, answering a question, said that if the British Army was here, it would be inconsistent with independence. If there were a large number of British officers, that also would be inconsistent with having an independent India. What we are now asking is that when India is in a position to supply officers of her own, no new officers should be brought from England. This is our demand, and if any change in the language of the Resolution is required which will meet the spirit of this demand, then it is open to the Government to suggest it and for us to consider it. What I feel is that we are today very much nearer our objective than we were a few years ago, let us now have some thing, and let us tell the people that they are going to get independence which is real and substantial, and not independence which is something on paper and some thing different in reality.

Sir, I support this Resolution.

FLT.-LIEUT. THE HON. RUP CHAND (Punjab : Non-Muhammadan) Sir, India has well reached the stage when she should have complete control of defence and her army should be completely nationalised. Self-government, in any form cannot be effective unless the Indian people have an army entirely their own and possess the final authority over the military forces without reservations of any kind.

Perhaps in no other sphere of Government has there been such bitter and prolonged conflict between Indian demands and the unyielding policy of the British Government as in defence matters Now, Sir, despite consistent agitation in India the progress of Indianisation of the officer ranks of the Indian Army has been extremely slow. At the present rate of progress, it might take indefinite number of years for the complete Indianisation of the army. We have many Committees and Commissions. The stage has now come when only a bold Nationalisation policy would satisfy the perfectly legitimate aspirations of the new vigorous India which is being born.

We are not asking that all British troops must quit India right now ; our demand is merely that the pace of nationalisation should be substantially speeded up and a time-limit should now be fixed for this process to be completed. When India is a free country, it is probable that we would agree, of our own accord, to the retention of a certain number of British Officers for purposes of training and guidance. But that matter should be the subject of a bilateral agreement between India and Britain, on the lines of the treaty enacted between Egypt and Britain under which the presence of British troops on Egyptian soil was regulated by mutual agreement.

The International situation unfortunately is still full of dangerous possibilities and the world has not yet settled down to an era of peace. We admit that at this moment India if left solely to itself may not be in a position to defend the country from foreign aggression. Personally I am quite conscious of our limitations in this respect. But our great effort is that we want to be in a position to defend ourselves as soon as possible. Sir, I hardly need say that we fought this war for freedom and democracy and the principles of the Atlantic Charter and the Four Freedoms had influenced not only you and me. Sir, but have also penetrated down to the rank and file. Sir in order to keep the high morale of future Indian Army, I mean the Indians oldiers it is very important and imperative that the nationalisation of officer ranks should be speeded up.

Sir, I would urge that the measures recommended in Hon. Pt. Kunzru's resolution should be given practical shape without delay. We need not wait till a new constitution for India is drafted. The nationalisation of army is long over due and delay in this all-important matter is not in keeping with the spirit of the times. There might be differences among some of us as to the type of constitution which India should have and such political differences will, I hope soon be settled by the Cabinet Mission. I am sure there exists no difference of opinion as regards the rapid nationalisation of the army.

THE HON. RAJA YUVERAJ DUTTA SINGH (United Provinces Central; Non-Muhammadan): Sir I rise to support this Resolution. The Resolution is so reasonable, and national, if I may say so, that it does not require many words to commend it to the House. Moreover, my Hon. friend, Pandit Kunzru has dealt with it so exhaustively in his speech that it becomes superfluous to add many arguments in its support. Now that India is on the threshold of independence, to borrow the significant expression used by His Excellency, the Commander-in Chief, in his recent broadcast, it would be extremely incongruous and insincere if any one were to stand up, and plead for the retention of the foreign element in the National Army of India. It would be a negation of independence if India were made to look upon a foreign army for offensive and defensive purposes; and hence our long-standing demand that a time limit should be aid down for the nationalisation of the Indian Army. If this basic principle is unreservedly accepted, it follows as a matter of logical corrolary that the appointment of British or foreign officers in the grade of lieutenant or captain, should be forth-with stopped, that deserving Indian Officers should be given accelerated promotion to increase the number of Indian Officers required to fill the higher grades; and that the methods followed by other independent countries to create a national army as speedily as possible, should be adopted with suitable modifications, with a view to the nationalisation of the Indian Army within a period of ten years. Sir, it may be argued on the other side that it is inexpedient to fix a time-limit, and that a period of ten years is too short for the training of Indian Officers to take up the higher ranks in the Indian Army. This argument, if advanced, constitutes the greatest slur upon British rule in this country. British rule has existed in India for more than a century and a half; and during this long and depressing period, the Indians have not been given proper training to man the higher and highest ranks in the Indian Army. Can any confession be more self-condemnatory? If India had been ruled with the sole and honest desire to fit her for self-government, proper methods must undoubtedly have been adopted for the training of Indian Officers in the Army. Look what Japan was able to achieve in the brief period of only 50 years, under her own National Government. But in India the secret and sinister desire was to try to hold this country in bondage for as long as possible; and racial discrimination of the worst type was unblushingly adopted to achieve the object in view. Sir, the Indianisation of the Indian Army, in all its branches, should be the normal course of things; and non-Indians should be appointed only in extremely exceptional cases.

Sir, I thank His Excellency the Commander-in-Chief for the handsome tribute paid by him from time to time to the achievements of the Indian Army in the recent war; and also for the noble sentiments of advice, which he has addressed to the Army in his recent broad cast when India is on the eve of coming into her own after a long period of foreign domination. Let our relations be friendly and cordial. India may still need the assistance of foreign experts and technicians; but an honest

[Raja Yuveraj Datta Singh]

effort must be made in the immediate present, to let her stand on her own legs, and occupy her rightful place in the comity of free nations, for the peace and progress of the world. Liberty of the country, with a standing battalion of foreign troops to guard her, is a contradiction in terms. I heartily wish God-speed to the Cabinet Mission, which is earnestly at work at the present moment and I conclude my observations on a note of confident hope that the Government will find it possible to accept the Resolution, as an earnest of their desire to see India free and independent. Sir, I thank His Excellency the Commander-in-Chief for his very conciliatory speech, which we fully appreciate.

THE HON. PANDIT HIRDAY NATH KUNZRU: Mr. President, we have all listened with the greatest interest to what has fallen from the lips of His Excellency the Commander-in-Chief. I find that he is in favour of parts (*a*) and (*b*) of the Resolution. He has told us that he does not like the idea of British officers being appointed as lieutenants or captains if Indian candidates of the requisite qualifications are available in sufficient numbers ; and as regards the Viceroy's Commissioned Officer, he has informed us that the Government are proceeding on the basis that he will be retained. I am personally very glad to hear that the Viceroy's Commissioned Officer is not going to be dispensed with at the present time. But his announcement that we shall have to find 9,000 officers for the Indian Army as it will be in the future must have come as a surprise to all of us. We have at present about 3,000 officers in an army of roughly 150,000 men. If the future officer establishment is not to be on a higher scale than at present, the announcement of His Excellency the Commander-in-Chief means that the strength of the Army will be trebled. In other words, it means that the strength of the Army will be about half a million in future. I shall say nothing, Sir, with regard to the size of the army at present though it is a very important matter. It will have to be considered when the Government place their conclusions before the Legislature and the public. But I may say at once that while we all expected an increase, a substantial increase in the strength of the Army, I do not think that anyone was prepared for so large an increase, so tremendous an increase, which would throw a staggering burden on the Indian revenues. The Indian Army of the future, if it is to be three times its present size will cost much more than three times the cost of the pre-war Army ; and if we are to maintain a due balance between the safety of the country and its economic development, I do not see how the money which the War Department will ask for will be forthcoming. However, I am at the present time concerned not with the size of the future Indian Army but with the Indianisation of the officer cadre.

His Excellency the Commander-in-Chief objects to a time-limit on the ground that no one can predict with certainty that the necessary number of qualified Indian candidates would be forthcoming and that it would be a dangerous fallacy to say that because an officer had proved his worth as a junior officer he was bound to prove successfull as a senior officer. Now, Sir, nobody can speak with absolute certainty regarding the number of Indian young men, who will be willing to offer themselves for commissions in the Army. We all hope and the examples of other countries reinforce our hope—that if a National Army is being created and that there will soon be a free India, the enthusiasm that will thus be generated will be such as to persuade young men to offer themselves in as large numbers for a military career as they do at present for civil careers. If, however, this hope is falsified, nobody will blame His Excellency the Commander-in-Chief for not being able to Indianise the Army within a period of 10 years. When we ask him to accept a period within which the maximum effort should be made, we are not asking that he should turn out every British officer and see that he is replaced by an Indian, good, bad or indifferent ; or that he should leave the vacancies created by the retirement of British officers unfilled simply because Indians are not available. That is not of course the meaning of the Resolution and I am sure His Excellency the Commander in-Chief understands this very well. All that I am asking for is that conditions should be created in which there will be a maximum inducement to Indian

young men to join the Army and that when these conditions have been created the utmost effort should be made to Indianise the Army within a definite time. We have experience, Sir, of the recommendations of Committees to which no time limit was attached. There is the Report of the Auxiliary and Territorial forces Committee to which I have already referred. Have Government paid the slightest heed to it ? Have they till now shown any real desire to spread the idea of military service throughout the population by giving education in citizenship to boys in Indian schools and by introducing military drill in these schools as recommended by the Committee ? Then there is the Report of the Shea Committee which my Hon. friend Mr. Kalikar referred to. It framed a scheme for the Indianisation of the officer ranks in 30 years. That scheme was not accepted. A predecessor of the present Commander-in-Chief, gave the same reasons for not agreeing to a time-limit for the nationalisation of the Army. as those given by him The result is that less than one-fifth of the regular officers of the Indian Army are at present Indian. Take again the Report of the Skeen Committee. The Committee was presided over by a distinguished British military officer who was the Chief of the General Staff here in his time. His report proposed that the British Government should undertake to increase Indian recruitment progressively so as to ensure that half the number of regular officers in the Indian Army would be Indian in the course of 25 years. That report too, Sir, has been given the go by and the reasons given for rejecting the recommendations of the Skeen Committee are those that His Excellency the Commander-in-Chief has given now for not agreeing to a time-limit. He will pardon us, Sir, in these circumstances if, in spite of his great personality and his obvious sincerity, we are unable to leave things to the discretion of the authorities and have to insist that a time-limit should be prescribed in order to ensure that the Government will not follow a policy of *laissez faire*, so to say, but undertake to stimulate recruitment to the officer ranks of the Army to the best of its ability. We are asking, Sir, for similar targets in the case of other Departments too. We are not satisfied with the general schemes of development in connectoin with, say, agriculture or industries. The factors involved in their development are not less complicated than those involved in the nationalisation of the Indian Army. Yet in order that we may have definite schemes and that an effort should be made to realise them within a measurable period of time we urge that triennial or quinquennial plans should be prepared so that our efforts may not be wasted in preparing vague schemes which nobody knows how to carry out. I am therefore bound to say, Sir, that in spite of all that His Excellency has said I am unable to change my view with regard to the importance of laying down a time. limit within which Government should make all the effort which they are capable of to replace British officers by Indian officers.

Now, Sir, a word with regard to the question of accelerated promotions. The principle, His Excellency the Commander-in-Chief has told us, had not merely been accepted but been acted on and that at present there are 54 Indian Lieut.-Colonels and, I think, 31 Colonels. Well, this is welcome news so far as it goes, but accelerated promotion has so far been given under the stress of the war. I do not know what will be the future of the officers who have been giveen accelerated promotion during the war : whether they will retain their present ranks or whether they will be asked to go back to their substantive ranks when things become normal.

Again, Sir, we do not know whether the principle of giving accelerated promotions will be accepted in connection with the new Army. The military anthorities may always have it within their power to choose any person for specially rapid promotion but my point is that unless it is borne in mind that the periods now laid down for promotion from one rank to another——

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : I should like to say that these are maximum periods. They are not minimum at all.

THE HON. PANDIT HIRDAY NATH KUNZRU : But It is these periods that have been laid down for promotion——

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : It is misleading to say thatwithout having served the maximum period laid down for promotion an officer cannot get accelerated promotion.

THE HON. PANDIT HIRDAY NATH KUNZRU: I did not hear what His Excellency said.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: It does not prevent an officer being promoted before he has completed the period laid down, that is the maximum period. After completing that period he will be promoted. That is the point.

THE HON. PANDIT HIRDAY NATH KUNZRU: I am afraid I am unable to follow His Excellency. I have no doubt that the military authorities can promote a man even though he may not have been for a specified period of time in a particular rank, but so far we find that the periods now laid down for promotion from one rank to another have been observed in practice. Because of the war they have had to be departed from. I should therfore like to know whether the principle of accelerated promotions would be accepted not merely in theory and acted upon only occasionally but be given effect in a fairly large number of cases, so that the nationalisation of the Army within the period laid down by me should become a practicable proposition.

Sir, His Excellency the Commander-in-Chief says that he expects that about 1,000 Emergency Commissioned officers will be granted permanent Commissions. Now it is quite possible that among these there may be people who are fit to be given accelerated promotion. It is also possible that among the regular Indian officers who have not received accelreated promotion, there may be some whose cases deserve to be considered favourably and so on. My proposal regarding accelerated promotion, therefore, has a wider object in view than His Excellency the Commander-in-Chief seemed to have when he spoke on this subject.

Sir, I do not wish to take the time of the House any more but I cannot help referrring once more to the announcement made by His Ecellency the Commander-in-Chief regarding the numberr of Commissioned officers that we shall require in the future. Not knowing, Sir, what the size of the future Army would be I had naturally to confine the discussion to an Army of the present size. Should the principles that I have laid down be accepted now, I do not think that there will be any difficulty in their application to the new Army.

Again, Sir, if a National Government comes soon into existence it will have to take, the War Departments proposals in to consideration. It may not accept them or may suggest modifications in order to have a completely nationalised Indian Army in a few years.

Sir, His Excellency the Commander-in-Chief would like to withdraw the Resolution. I have no doubt that His Excellency is serious in saying that he wants that the Indian Army should be commanded by Indian officers as soon as possible. Nevertheless, I am afraid that I cannot withdraw my Resolution. My point of view being what it is, I think that my purpose would not be gained unless a high aim was set before young men which would create enthusiasm in them and make the country feel that the entire system was going to be changed and that their sons were going to be in an armywhose business it would be to defend the national interests.

As regards the retention of a few British officers, nobody would demur to it. Even after the expiration of the period of ten years. When we ask for the Indianization of the civil services, we do not mean that every British officer in those services shall be turned out and replaced by an Indian officer. It will be in the power of the National Government to keep a certain number of specially capable British officers on, provided they are loyal to the policy laid down by it. I have no doubt that such a policy would be followed in future. When I asked for the nationalization of the army within a certain period, all that I meant was that we should not proceed in accordance with the existing rules of promotion always or usually, and that we should make the greatest effort of which we are capable at the present time to Indianize the army within the shortest possible period. I think, in the light of the material at my disposal, that ten years is not an unreasonable limit top rescribe.

In view, Sir, of what I have said, I regret that I am a unable to withdraw the Resolution.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Sir, I have very little to add to what I said before so far as the principles governing the solution of this problem are concerned or in regard to the policy which I am following. I think I made myself quite clear that the object of the Hon. Mover and my object are one and the same. I do not want to harp on that. It is simply as regards the methods by which our object is to be achieved that we differ—and we do not differ very much on that too. But I would ask the House to grant me indulgence to mention one or two points which came out during the course of the debate.

The first is the question of adhering to the rules of promotion. I am sorry I did not make myself clear that these time limits for promotion have been introduced in order to safeguard the officer in the event of promotion being slow. After a certain number of years in each rank—the officer is entitled to be promoted to the next rank, provided he has done good service. But there is nothing whatever to prevent an officer being promoted before that time limit expires if there is a vacancy in the next senior rank. Rules of promotion do not really come into it.

THE HON. PANDIT HIRDAY NATH KUNZRU: May I interrupt His Excellency? Was accelerated promotion given to a single Indian officer before the war? We were always told that no Indian officer could be made Lieutenant-Colonel because he was not of the requisite seniority, that is to say, had not put in 26 years' service. We have been told this by successive Commanders-in-Chief.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I am not concerned with what former Commanders-in-Chief did in the past. I am concerned with the position as it is now. As a matter of fact, the rules apply to British and Indian officers alike. I hope I have made that point clear. It is not a limiting factor in the promotion of an otherwise deserving officer.

The next point I would like to mention is that there has been a certain amount of criticise there is nothing new about it I am accustomed to it—regarding the "unsuitable" methods of recruiting. Well, Sir, all I can say is that it is a point on which my conscience is very clear. I have taken every possible advice from every possible authority as regards how to improve the methods of getting officers—in the Defence Consultative Committee, from Vice-Chancellors of Universities, people up and down the country. And if any one has any more advice to give, I welcome it, because I want more officers, and I can assure you I will take advice that is given. Indian regular officers have been consulted. The Army has been consulted constantly—not only the Army, but the Air Force as well.

Then the point arose about the figure of 9,000 which I gave. I am perfectly willing to explain the details as to how I arrived at that figure. In fact, I will put them before the Defence Consultative Committee. But it does not mean that these figures are final. We are not planning for an army very much bigger than the army before the war: there will be many more technical mechanized units, and the army generally being more complicated needs more officers. The organisation will be much more complicated than before the war. I am afraid I cannot take you through all these details. I am prepared to listen to any suggestion that may be made on the subject.

University training corps were referred to, and I would like to tell the House that we have now practically finished draft proposals for the future organisation and syllabus of University Training Corps and Junior Officers Training Corps. That will also come before the Defence Consultative Committee, I hope, before long: it is well advanced.

[Commander-in-Chief]

The Russian Army came in for a good deal of mention. I would like to point out that the Russian Army was not formed during the war ; it existed long before the war. However, I do not know much about the Russian Army, and so I would not like to say anything more on the subject. I think the Russian army derives its power mostly from the enormous number of men it has, and from the disregard of casualties which the Russian Army evinces ; that, of course, gives them great power, and it did effect great things.

Two Hon. Members mentioned that I am not a free agent, that I am under the domination of some mysterious influence. I do not know where that influence is, but I can assure the House that, having decided the right principles on which to work, nobody will deflect me from those principles. If the powers that be, that is, those superior to me, decide that my principles are wrong, then I go. But I do not break my principles, and I am not under the domination of any mysterious influence either in England or in India. I would like to make that quite clear.

The next point is with regard to the British officer, and I am very glad indeed that the Hon. Mover and also the Hon. Sir Gopalaswami Ayyangar mentioned the British officer, because I as Commander-in-Chief, have a responsibility not only to the Indian soldier and the Indian officer, but to the British officer who is part of the Indian Army. I would like to remind the House—I do not think they need reminding—that the magnificent army which we have today in India, composed entirely of Indians so far as the rank and file is concerned, had been built up in the past by a very small band of British officers the great majority of whom devoted themselves absolutely selflessly to their duty and to India. It may be that in the near future these officers will disappear. But so long as they are in the army, I have a duty towards them ; as Commander-in-Chief, I must consider them as well as the Indian soldier and the Indian officer. I am quite sure that no Hon. Member dispute that. I am very glad indeed that I heard that that point is recognised, because if it had not been for the British officer, you would not have had the army which you have today. It does not a matter under what Government or under what system of Government he served. He was a soldier, and he did his duty, and I think we owe him a debt of gratitude.

I am very glad indeed to hear that in the opinion of the Honourable Mover and of a many Hon. Members the advent of a nation and Government will improve the recruitment of candidates for the officer cadre of the Indian Army. I have done my best to get more suitable candidates, and the results have not been very satisfactory. It may well be, as has been suggested, that that is due to political reasons. Well, if it is due to political reasons, perhaps with a change of government, with a change in the constitution, we shall get candidates that we require. And nobody wants them more than I do ; I can assure you of that. I hope that will be the case. The whole of this question of the nationalization of the Indian army hinges on that and on the methods of selection, and I would like to say that if you are prepared to lower your standard, you can have 90,000—not 9,000—Indian officers tomorrow. What I would like to say is, I am not prepared to lower the standard. I do not know whether you are or not. I hope not for the good of India in the future. But I can say this that as long as I am here, I do not propose to lower the standard, and in that I have 100 per cent. of the regular Indian officers of the Army behind me. They do not desire a lowering of the standard and I do not desire it because it would be betraying the men in the ranks, the men who have got to be led in battle by these officers. This is a point on which I feel very deeply. Our methods of selection have been criticised, are being criticised and will continue to be criticised. But I personally think they are the best we can evolve for the selection of officers. They have been accepted by the British Army and they have

been accepted by the American Army too. They have also been accepted by the Home Department in India and I would like to point out that these Selection Boards are not exclusively composed of British officers. There is a very large proportion of Indian officers and it is increasing as I find suitable Indian officers. There is one Board entirely composed of Indian officers. But I say again that if you wish to lower the standard, there is no limit to the number of officers you can get. But you would be erecting a facade which has a white-washed front, but nothing behind it. I do not think you want that. I hope not.

Well, Sir, this Resolution is a curious one because the Hon. Mover and myself are really in complete agreement except on one point and that is, the laying down of a definite period by which nationalisation of the officer cadre of the Indian Army shall be completed. I have given you the reason why I could not accept that and I am afraid I cannot alter that reason because I think I am right. I am at present engaged in working out——an actuarial calculation really—— and trying to arrive at a reasonable period within which this nationalisation can be completed and I have arrived at certain conclusions. But I cannot tell you, for the reason is that I cannot accept, a definite period within which this can be done. I would ask the house. So not to press me to lay down a period for the completion of nationalisation.

THE HON. THE PRESIDENT: As there is no agreement between the Parties it is my duty to put the Resolution.

THE HON. MR. M. THIRUMALA ROW: Can the Resolution be split up in parts ?

THE HON. THE PRESIDENT: I think there is no opposition regarding the Resolution. Even His Excellency the Commander-in-Chief has agreed on the clauses. The only difference seems to be about the last few words. In fact, the Hon. Sir Gopalaswami Ayyangar's amendment was very reasonable in which he said " with the least possible delay " and if the Hon. Mover would accept that, it would save all trouble.

THE HON. PANDIT HIRDAY NATH KUNZRU: I cannot accept that vague assurance.

THE HON. THE PRESIDENT: Resolution moved :

" This Council recommends to the Governor-General-in-Council that a time limit should be laid down for the nationalisation of the Indian Army so that the psychological atmosphere to essential to the rapid formation of a national army may be created and the maximum effort may be made to achieve the purpose in view. This Council further recommends that—

(*a*) the appointment of British officers in the grade of lieutenant or captain in the Indian Army should be stopped ;

(*b*) the Viceroy's Commissioned Officer should be retained for the present ;

(*c*) deserving Indian Officers should be given accelerated promotion to increase the number of Indian Officers required to fill the higher grades ; and

(*d*) the method followed by other independent countries to create a national army in a few years should be adopted with suitable modifications, with a view to the nationalization of the Indian Army in ten years."

THE HON. SIR N. GOPALASWAMI AYYANGAR: May I propose that you put clause (*d*) separately ?

THE HON. SIR MAHOMED USMAN (Leader of the House): I do not see any advantage. You have now read the Resolution.

THE HON. THE PRESIDENT: I do not see the advantage of it. It would make no difference. If it did, I would do that.

Question put: the Council divided:

AYES—12

Buta Singh, Hon. Sir.	Motilal, Hon. Mr. G. S.
Das, Hon. Mr. N. K.	Row, Hon. Mr. Thirumala.
Das, Hon. Rai Bahadur Satyendra Kumar.	Roy Chowdhury, Hon. Mr. Susil Kumar.
Kalikar, Hon. Mr. V. V.	Rup Chand, Flt.-Lieut. the Hon.
Kunzru, Hon. Pandit Hirday Nath.	Surput Singh, Hon. Mr.
Mahtha, Hon. Rai Bahadur Sri Narain.	Yuveraj Datta Singh, Hon. Raja.

NOES—21

Assadulla Khan Raisani, Hon. Sardar Bahadur Nawab.	Khurshid Ali Khan, Hon. Nawabzada.
Charanjit Singh, Hon. Raja.	Mahomed Usman, Hon. Sir.
Commander-in-Chief, His Excellency the.	Menon, Hon. Sir Ramunni.
Conran-Smith, Hon. Sir Eric.	Mukherjee, Hon. Sir Satya Charan.
Das, Hon. Mr. M. L.	Porter, Hon. Mr. A. E.
Ghosal, Hon. Sir Josna.	Prior, Hon. Mr. H. C.
Gibbons, Hon. Mr. J. M. B.	Rao, Hon. Mr. V. Narahari.
Hissamuddin Bahadur, Brig. the Hon. Sir.	Sobha Singh, Hon. Sardar Bahadur, Sir.
Huttan, Lt.-Genl. Hon. Sir Thomas.	Sundaram, Hon. Mr. K. V. K.
Khare, Hon. Dr. . .	Sukthankar Hon. Mr. Y. N.
	Townend, Hon. Mr. H. D.

The Motion was negatived.

HINDU MARRIED WOMEN'S RIGHT TO SEPARATE RESIDENCE AND MAINTENANCE BILL, 1946

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern: Non-Muhammadan): Sir, I move:

"That the Bill to give Hindu married women a right to separate residence and maintenance under certain circumstances, as passed by the Legislative Assembly, be taken into consideration"

THE HON. SIR MAHOMED USMAN (Leader of the House): The Hon. Member has made the Motion now. He can make a speech on Thursday. We can not finish it before 5 P.M. today. It is much better to take it on Thursday.

THE HON. PANDIT HIRDAY NATH KUNZRU: May I suggest that Government should give us a date after the 12th for the consideration of this Bill? Government can give time for this along with some other official Bills.

THE HON. SIR MAHOMED USMAN: We are meeting on the 11th, and after finishing Government business, this might be taken up.

THE HON. PANDIT HIRDAY NATH KUNZRU: Will there be any Government business after the 12th when it can be taken up? I shall not be free on the 11th and 12th.

THE HON. SIR MAHOMED USMAN: We are having those official Bills on Thursday the 11th. If there is time we will take up this Bill; otherwise we will meet again on Friday.

THE HON. PANDIT HIRDAY NATH KUNZRU: Friday morning is an impossible time for me.

THE HON. SIR MAHOMED USMAN: We hope to finish this Bill, along with other Bills, on Thursday. We shall put this business down for Thursday. If it is not finished, we will have some other day. I am bound to provide a day for this

The Council then adjourned till Eleven of the Clock on Thursday, the 11th April 1946.

COUNCIL OF STATE

Thursday, 11th April, 1946

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

MEMBERS SWORN

The Hon. Sir John Sheehy (Nominated Official).

The Hon. Mr. Shamaldhari Lall (Labour Secretary).

The Hon. Sir Pheroze Kharegat (Agriculture Secretary).

QUESTIONS AND ANSWERS

OPIUM EXPORTS

272. THE HON. RAJA YUVERAJ DUTTA SINGH: (*a*) Is it a fact that in June 1926 it was announced by Government that the extinction of opium export to China and the Far East would take place in 10 years ?

(*b*) Is it a fact that in 1936 a factory at Neemuch in the rich Malwa area started functioning in addition to the large opium factory at Ghazipur ?

(*c*) Is it a fact that in spite of the pledge given, in deference to the public opinion, Government still continue to export opium to China ? If so, why ?

(*d*) Will Government make a statement relating to the policy of cultivation and export of opium, and their attitude towards total prohibition except for medicinal and scientific purposes ?

THE HON. MR. V. NARAHARI RAO : (*a*) Yes. This announcement, however, related to exports to the Far East only, since exports to China had already stopped in 1913.

(*b*) The factory at Neemuch started functioning in 1934 and since 1935-36 it has been used for the manufacture of hard ball opium for supply to certain States in Central India and Rajputana, who were taking their supplies from other opium-producing States. The opening of the Neemuch Factory did not therefore entail an increase in the quantities of opium supplied for consumption in India but merely diverted to a source of supply under the control of the Government of India a portion of the Indian States' demand which till then had been supplied from sources not under such control.

(*c*) No. The second part of the question does not arise.

(*d*) Poppy cultivation for the manufacture of opium is confined in British India to a limited area in the United Provinces. The area is fixed every year with reference to the requirements of opium for home consumption, manufacture of alkaloids and exports. The general policy is to limit cultivation of the poppy as much as possible and to reduce the consumption of opium in India. The position is kept under constant review. While the consumption of opium by addicts and its use as a prophylactic or anodyne or as a household remedy by people to whom qualified medical assistance is inaccessible are tolerated, every step is being taken to check its abuse and to reduce consumption. The people of India have by long experience acquired an empirical skill in the use of opium for medical and semi-medical purposes and until proper medical aid becomes generally available throughout the country it would be neither practicable nor humane to prohibit the use of opium altogether. The Government of India are, however, at present reviewing the whole field in consultation with the Provincial Governments and the States and in particular are examining the practicability of suppressing opium smoking.

NOTE.—Questions against the Hon. Raja Yuveraj Dutta Singh were put by the Hon. Rai Bahadur Sri Narain Mahtha.

As regards exports, since the beginning of 1936, the export of opium from India is not allowed except in the following cases :

(*i*) small quantities sent to the French and Portuguese settlements in India, Nepal, Zanzibar and Pemba in accordance with longstanding practice ;

(*ii*) quantities sent to Burma and Aden which until recently formed part of India ; and

(*iii*) exports of raw opium to the United Kingdom for the manufacture of alkaloids.

UNRRA

273. FLT. LIEUT. THE HON. RUP CHAND : Will Government state :

(*a*) Whether it is a fact that India is paying about 8 crores of rupees every year as membership fee and contribution tot he United Nations Relief and Rehabilitation Administration (UNRRA) ?

(*b*) What actual benefits have accrued to India by hermembership of UNRRA ?

(*c*) What help, if any UNRRA rendered to India during the Bengal Famine of 1943 and during the present acute shortage of food endangering the lives of a large number of people ?

(*d*) How many Indians have so far been appointed to the staff and secretariat of UNRRA?

(*e*) Whether it is a fact that UNRRA has rendered practically no help to India during her periods of crisis ?

(*f*) Whether the recent press report to the effect that the UNRRA instead of backing up the claims of India before the Allied Combined Food Board in Washington for allocation of foodgrains, actually became the " chief competitor " against India, is true ?

(*g*) Whether in view of the fact that India's membership of the UNRRA is costing her several crores of rupees without any advantages the Government of India have considered the advisability of giving up membership of the organisation, if not, the reasons therefor ?

THE HON. MR. Y. N. SUKTHANKAR : (*a*) No, Sir.

(*b*) As India became a member of UNRRA on humanitarian grounds the question of accrual of benefits to India does not arise.

(*c*) As the Government of India have not asked for UNRRA's help, this question does not arise.

(*d*) 22 Indians have so far been selected by UNRRA for appointment in its world-wide organisation.

(*e*) In view of the reply to (*c*) the question does not arise.

(*f*) UNRRA was one of India's principal competitors in the allocation of food grains by the Combined Food Board.

(*g*) In view of the fact that UNRRA is a temporary organisation the activities of which are likely to terminate by the end of March, 1947, and that India's contribution of Rs. 8 crores to UNRRA which was voted by the Assembly during the 1945 Budget session is not an annual burden, the question of giving up membership of UNRRA has not been considered.

INDIA'S STERLING BALANCES

274. FLT. LIEUT. THE HON. RUP CHAND : Will Government state :

(a) Whether it is a fact that India's sterling balances in the United Kingdom are still growing in volume ?

(*b*) Whether Government are taking any measures to see that India's sterling balances in U. K. do not increase still further ?

THE HON. MR. V. NARAHARI RAO : (*a*) Yes, but at a reduced rate.

(*b*) I would invite the Hon. Member's attention to paragraph 28 of the last Budget Speech.

IMPORT OF FOODGRAINS

275. FLT./LIEUT. THE HON. RUP CHAND : Will Government state what steps they have taken to obtain foodgrains for India directly from Argentina and Russia, which have surpluses to export, especially in view of the fact that the allotment of foodgrains to India made by the Combined Food Board in Washington is only about 2/3rds of India's needs during the present crisis ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : So far as Argentine wheat is concerned exports are subject to allocations by the Combined Food Board and we await a communication from that body as to the precise amount allotted to India within our general allocation. We have made enquiries regarding maize which is at present not so allocated and have arranged for purchases up to 200 000 tons. Maize is not however at the moment readily obtainable and advance purchases of some 31,000 tons only have so for been made. As regards Russia we have informed H. M. G. of our desire that they will approach the Government of that country for supplies to India and await a reply.

THE HON. PANDIT HIRDAY NATH KUNZRU : If we get, say, half a million tons of wheat or other foodgrains from Russia, will the Combined Food Board then maintain the allocation of foodgrains made to India, or will it reduce it by a corresponding amount ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : It is not possible for me to say. Russia is not a member of the Combined Food Board.

THE HON. PANDIT HIRDAY NATH KUNZRU : Will the Hon. Member tell the House what they have done in the case of France ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : I do not know authoritatively. I have read press accounts, which the Hon. Member has done himself.

THE HON. PANDIT HIRDAY NATH KUNZRU : Will the Hon. Member make sure that any supplies that we may obtain from Russia will not affect the allocation of foodgrains made to us by the Combined Food Board ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : Naturally, we shall try to do so.

INCREASE IN CURRENCY NOTES CIRCULATION.

276. FLT./LIEUT. THE HON. RUP CHAND : Will Government state :—

(*a*) The extent of increase in currency since the hostilities ceased in August, 1945 ?

(*b*) Whether it is a fact that the expansion of currency still continues in India thereby imposing further hardship on the Indian people ; if so, the reasons why such a policy is being followed ?

(*c*) Whether Government are aware that the inflationary procedure adopted by them is having an adverse effect on Indian economy ?

THE HON. MR. V. NARAHARI RAO : (*a*) The increase in currency notes in circulation was Rs. 79,89 crores on the 29th March, 1946.

(*b*) and (*c*). I would invite the Hon. Member's attention to the reply given to part (*d*) of the Hon. Mr. Surput Singh's question No. 81 on the 27th February 1946.

PROVINCIAL MOTOR TRANSPORT CONTROLLERS

277. THE HON. KHAN BAHADUR KERAMAT ALI : Will Government state :—

(*a*) Whether it was under the direction of the Government of India that the Motor Control Departments were created in certain provinces ?

(*b*) Whether the Government of India contributed the whole or any part of the expenses incurred on the maintenance of such Provincial Motor Transport Departments ?

(*c*) How long these departments are to continue ?

(*d*) Whether it is a fact that the Government of Assam has ordered the abolition of the Motor Transport Department of that Province from 31st March, 1946 ?

(*e*) Whether the sanction of the Government of India was obtained for the abolition ?

(*f*) Whether timely notice was served on the employees of the Department about this abolition ?

(*g*) If not, whether any compensation will be paid to the employees ?

THE HON. SIR MAHOMED USMAN : Sir, with your permission, in the unavoidable absence of the Hon. Sir Eric Conran-Smith, I am replying to this quetion.

(*a*) The Government of India suggested that the various war-time controls of motor transport should be co-ordinated by a single officer in each province to be known as the Provincial Motor Transport Controller.

(*b*) The Government of India contributes a proportion of the cost of the officers engaged on the implementation of war-time controls subject to a maximum of 50 per cent.

(*c*) The officers engaged on the administration of the war-time controls will not be required for this work when the controls are withdrawn.

(*e*) No.

(*d*), (*f*) and (*g*). Although an effort has been made to obtain the information from the Assam Government by telegram, it is regretted that it has not yet been received. It will be laid on the table as soon as obtained.

VISIT TO MEDICAL COLLEGES BY PROFESSOR A. V. HILL

278. THE HON. RAJA YUVERAJ DUTTA SINGH : (*a*) Is it a fact that Government invited a number of foreign scientists and experts to visit India in connection with the inquiry of the Bhore Committee ; and Prof. A. V. Hill, a physiologist of Cambridge, and Secretary of the Royal Society, was one of them ?

(*b*) Is it a fact that except Lucknow he visited all the Medical Colleges of India ? If so, why was Lucknow omitted ?

(*c*) Are Government aware that in 1933, the Department of Physiology, Lucknow, published a book called *A New Physiological Psychology*, from which it appeared that Lucknow Medical College has been ahead of Cambridge in many important matters ?

(*d*) Did Prof. Hill submit a report in which he held that India in general was hopelessly behind such a place as Cambridge ? Will Government lay a copy of his report on the table, or at least place it in the Library ?

THE HON. SIR JOGENDRA SINGH : (*a*) Yes. The visit of Prof. A. V. Hill was arranged before the Bhore Committee was appointed.

(*b*) Owing to lack of time Professor Hill was able to visit only a few centres where there are medical colleges. Lucknow was not the only such centre omitted from his programme.

(*c*) I have not seen a copy of the publication referred to.

(*d*) Prof. Hill's report expressed the view that no great school of physiology had developed in India from which teachers and research workers could go out and raise the standard all round. A copy of the report was placed in the Library of the House in February 1945.

DETERIORATION OF FOODGRAINS

279. THE HON. RAJA CHARANJIT SINGH : Has the attention of Government been drawn to a leading article in the *Tribune* of Lahore, dated the 8th March, 1946, in which it is stated that (*i*) two hundred thousand maunds of wheat

flour (atta) became rotten and unfit for human consumption in the godowns of the Civil Supplies Department at Howrah ; (*ii*) a fortnight ago rotten atta weighing one hundred thousand maunds was removed from another godown ; (*iii*) some time ago it is said stocks of rice were destroyed as they had become rotten ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : An inquiry has been made from the Bengal Government. The information will be placed on the table of the House, when received.

DETERIORATION OF ATTA

280. THE HON. RAJA CHARANJIT SINGH : Will Government state the names of Government stocks and godowns where flour or atta deteriorated and the quantity of flour and atta which became unfit for human consumption in each of those places in 1944 and 1945 ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : There was no loss in any stocks of atta while in the custody of the Central Food Department in various provinces during the years 1944 and 1945. Information about stocks held by Provincial Governments has been called for and will be placed on the table of the House when received.

DETRIORATION OF RICE

281. THE HON. RAJA CHARANJIT SINGH : Will Government state the names of Government stocks and godowns where rice deteriorated and the quantity of rice which became unfit for human consumption in each of these places in 1944 and 1945

THE HON. SIR JWALA PRASAD SRIVASTAVA : There was no loss in any stocks of rice while in the custody of the Central Food Department in various provinces during the years 1944 and 1945. Information about stocks of rice held by Provincial Government has been called for and will be placed on the table of the House, when received.

DETERIORATION OF FOODGRAINS

282. THE HON. RAJA CHARANJIT SINGH : Is it a fact that during 1944 and 1945 flour and atta weighing 4,92,510 maunds deteriorated and unfit for human consumption as detailed below :—

(*i*) 75,000 maunds atta in Government stocks, Calcutta ;

(*ii*) 71,000 maunds flour in Government stocks, Calcutta ;

(*iii*) 850 maunds atta in Government godowns in Benga and sold by the authorities in charge at 4 annas per maund as manure ;

(*iv*) 42,660 maunds atta in Dacca ;

(*v*) 7,000 maunds atta in Faridpur ;

(*vi*) 200,000 maunds atta in Supply Department godowns, Calcutta ; and

(*vii*) 100,000 maunds atta in another godown ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : An inquiry has been made from the Bengal Government and the information will be laid on the table of the House when received.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY : Is the Hon. Member aware that the figures appeared in the *Amrita Bazar Patrika*, which gave the dates from which the foodgrains deteriorated ?

THE HON. SIR JWALA PRASAD SRIVASTAVA : No, Sir ; I have not seen it in the paper referred to.

NEWSPRINT FOR PUBLICATION OF THE *States People*.

283. THE HON. MR. G. S. MOTILAL : (*a*) Is it a fact that Government refused to issue paper for resumption of publication of the weekly journal called "States People" which was edited by Sjt. Patabhi Sitaramaya before his detention in 1942 ?

(*b*) Will Government now issue the paper required for it ?

THE HON. SIR MAHOMED USMAN (on behalf of the Industries & Supplies Department): (*a*) Yes.

(*b*) The newsprint supply position has deteriorated to such an extent at the present moment that it does not admit of grant of quotas for new journals or for revival of journals. The matter can be reconsidered if and when the newsprint supply position shows substantial improvement.

THE HON. PANDIT HIRDAY NATH KUNZRU: When will that be ?

THE HON. SIR MAHOMED USMAN: I do not know.

THE HON. PANDIT HIRDAY NATH KUNZRU: Do Government realise that this was a very important paper so far as Indian States were concerned ?

THE HON. SIR MAHOMED USMAN: Government do realise it, but our difficulty is that we have not got enough newsprint. As soon as it is available, Government will certainly consider the case.

THE HON. PANDIT HIRDAY NATH KUNZRU: Have not Government during the period when there has been scarcity of newsprint, allowed new papers to come into existence ?

THE HON. SIR MAHOMED USMAN: No. As I have said, the newsprint supply position has deteriorated to such an extent at the present moment that it does not admit of grant of quotas for new journals or for revival of journals.

SCARCITY OF RICE IN DELHI RATION SHOPS

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS (East Bengal: Non-Muhammadan): Sir, with your permission and with the permission of the Leader of the House, I would like to draw the attention of the Food Member to the fact that we are not getting rice from our ration shop. We have been unable to get any rice for the last two days.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY (West Bengal: Non-Muhammadan): We have been told by the ration shops which supply foodgrains to members of this House—situated in Western Court that not a single grain of rice is available.

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS: We who come from Bengal consume rice, and we cannot go on starving for days.

THE HON. SIR JWALA PRASAD SRIVASTAVA (Food Member): This is new to me. But I will make inquiries immediately and see what the position is.

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS: Inquiry will not do. You must give us rice.

THE HON. SIR JWALA PRASAD SRIVASTAVA: I will try my best.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY: I sent my servant this morning to the ration shop, and he was told that not a single grain of rice was available.

THE HON. SIR JWALA PRASAD SRIVASTAVA: I will try and find out what the position is.

THE HON. MR. V. V. KALIKAR (Central Provinces: Non-Muhammadan): There is no question of finding out. The Hon. Member must give relief to us.

THE HON. SIR JWALA PRASAD SRIVASTAVA: As far as it lies in me.

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS: Our ration shop is No. 53-C; it is behind Western Court. The same is the state of affairs in Bengali-mal Market on Bazar Road.

THE HON. SIR JWALA PRASAD SRIVASTAVA: I will find out at once.

STATEMENTS, ETC., LAID ON THE TABLE

THE HON. MR. S. LALL (Labour Secretary): Sir, I lay on the table copies* of the Summary of Proceedings of the Seventh Meeting of the Standing Labour Committee held at New Delhi on the 28th August, 1945.

THE HON. MR. S. LALL (Labour Secretary): Sir, I lay on the table copies* of the *ad hoc* reports prepared by the Labour Investigation Committee.

THE HON. RAI BAHADUR SRI NARAIN MAHTHA (Bihar: Non-Muhammadan): Will these reports be circulated to us?

THE HON. MR. S. LALL: I will consider it. I am afraid, the number of copies available is limited. But I will certainly consider the suggestion and see if we can make a few copies available for the use of Hon. Members.

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 8th April, 1946:—

A Bill to enable the immediate imposition of protective duties of customs on imported goods.

A Bill further to amend the Indian Soldiers (Litigation) Act, 1925.

CENTRAL ADVISORY COUNCIL FOR RAILWAYS

THE HON. THE PRESIDENT: The following Hon. Members have been nominated for election to the Central Advisory Council for Railways:—

1. The Hon Mr. V. V. Kalikar.
2. The Hon. Mr. M. Thirumala Row.
3. The Hon. Mr. S. K. Roy Chowdhury.
4. The Hon. Sir David Devadoss.
5. The Hon. Haji Syed Muhammad Husain.
6. The Hon. Brigadier Sir Hissam-ud-din.

As there are six vacancies and six nominations, I declare them duly elected.

INDIAN INCOME-TAX (AMENDMENT) BILL,

THE HON. SIR JOHN SHEEHY (Nominated Official): Sir, I move:—

"That the Bill further to amend the Income-tax Act, 1922 as passed by the Legislative Assembly, be taken into consideration."

Sir, in his recent Budget speech, the Finance Member said that one of the objects of his financial proposals was to encourage Indian industry to rehabilitate and re-equip itself and to make itself more efficient. The main proposals in this Bill are designed for that purpose. They may be divided into two categories—one containing proposals which encourage the scrapping of old buildings, plant and machinery and the erection of new buildings and the installation of new plant and machinery, and the other containing proposals for the encouragement of expenditure on scientific research.

As regards buildings, the proposals cover three points. Obsolescence allowance, *i.e.*, the difference between the written-down value and the scrap value, is to be given on buildings for the first time. It is to be given not only when the building is sold or discarded but also when it is destroyed or demolished. And a special initial depreciation allowance of 10 per cent. is to be given in the case of new buildings.

*Not printed. Copies placed in the Library of the House.

[Sir John Sheehy]

As regards plant and machinery, the proposals cover two points. As in the case of buildings, the obsolescence allowance is to be given where the plant and machinery is demolished or destroyed. And a special initial depreciation allowance of 20 per cent. is to be given in the case of new plant and machinery.

There are two points about the special initial depreciation allowance to which I should refer. One is that it is not to be given for excess profits tax. The excess profits tax has only a year to run and so this is not so important. The more important point is that it is not to be deducted in arriving at the written-down value.

There are also two points about the obsolescence allowance to which I should draw attention. As the law stands, if an asset on which depreciation has been given is sold, any excess of the sale price over the original cost is taxable. The Bill excludes this excess from taxation. On the other hand, the Bill makes liable to tax insurance or compensation moneys received in excess of the written-down value. But in no case can the taxable amount exceed the amount allowed as depreciation.

The provisions regarding scientific research expenditure allow both capital and revenue expenditure. Revenue expenditure is allowed in respect of the year in which it is incurred. Capital expenditure, if incurred by way of payments to Scientific Research Associations, Universities and similar bodies for capital purposes, will be allowed as if it were revenue expenditure of the year in which it is incurred, but if capital expenditure is incurred by the assessee on his own research, it will be allowed in five yearly instalments.

In dealing with these provisions regarding scientific research the Select Committee expressed the hope that they would not be interpreted too narrowly. The Honourable the Finance Member in referring to this assured the other House that the definition of 'scientific research' will be interpreted in a generous fashion. Honourable Members will realise that the last word on questions of this kind will rest not with the Income-tax Department but with the "prescribed authority" which in most cases will probably be the Council of Scientific and Industrial Research. Of course, on medical questions I suppose the Council of Medical Research will have the last word, and there may be some questions on Agriculture, in which case it will be the Agricultural Research Council.

There is one further point—and an important one—to be mentioned about these provisions regarding scientific research. They are to be given retrospective effect for one year, so that the assessee is to be in the same position as if this Income-tax Bill, which was introduced last year and dropped, had been passed then.

Two other proposals in the Bill are designed to encourage new building so as to create employment. A two years' exemption from tax under section 9 of the Income-tax Act is to be given in the case of buildings, mainly dwelling houses, begun and completed between the 1st April 1946 and 31st March 1948, and in the case of other buildings, such as factories, hotels, shops and offices, which fall under sections 10 and 12 of the Income-tax Act, the initial depreciation allowance is increased from 10 to 15 per cent.

Although in terms these provisions apply only to complete units of buildings, the Honourable the Finance Member has given instructions that any extension of an existing building which costs more than Rs. 10,000 will count for the allowance, so that if a man puts a new storey on to a block of flats which costs more than Rs. 10,000, this will rank as new building for the purpose of this allowance.

I think, Sir, that is enough explanation from me of the provisions of the Bill In the Select Committee two minor changes were made but they were of a clarificatory nature. There was nothing very substa ntial about them. I do not think I need go into them. Since then the Bill has been unchanged. Sir, I move.

The Motion was adopted.

Clauses 2 to 5 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HON. SIR JOHN SHEEHY : Sir, I move :—

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

THE HON. MR. N. K. DAS (Orissa : Non-Muhammadan) : Sir, may I make an inquiry ? The Hon. Member said that when an industry invested on certain scientific research allowance will be made for it in the income-tax in the course of 5 years Supposing an industry invested about Rs. 20,000 as capital investment on scientific research, is it meant that that Rs. 20,000 would be covered in 5 years at the rate of Rs. 4,000 per year and that will be deducted from the computation of income-tax ?

THE HON. SIR JOHN SHEEHY : Yes , that is correct.

The Motion was adopted.

INDIAN OILSEEDS COMMITTEE BILL

THE HON. SIR PHEROZE KHAREGAT (Agriculture Secretary) : Sir, I move :—

" That the Bill to provide for the creation of a fund to be expended by a Committee especially constituted for the improvement and development of the cultivation and marketing of oilseeds and of the production, manufacture and marketing of oilseeds products, as passed by the Legislative Assembly, be taken into consideration. "

The object of this Bill is to improve the lot of those cultivators who grow oilseeds One of the most important items that will have to be attended to in that connection is to ensure that the production of oilseeds per acre is increased and to provide that the oil content of these oilseeds is increased, so that we may have more oil from the same acreage than at present. The total production of oilseeds in the country including all important oilseeds, such as, groundnuts, linseed, rape and mustard, castor and sesame, comes to something like 4½ million tons, the value of which is Rs. 200 crores per year. I think it will be agreed, Sir, that a crop which is worth Rs. 200 crores a year must receive an adequate amount of attention which it has not been receiving so far. The method that has been suggested for this purpose is similar to what has been adopted in the case of other cash crops, that is, the constitution of a Fund administered by a Committee representative of all the interests which are concerned with that particular crop. Let me, Sir, refer in that connection to what has been achieved by the Indian Central Cotton Committee which is the earliest Committee of this kind and which was established nearly a quarter of a century ago. When that Committee started, practically the whole of the cotton grown in this country was of short staple variety. As a result of its efforts today the position is that more than two-thirds of the area is under medium and long staple cotton. That has been achieved after years of labour, partly by research workers evolving better varieties and partly by efforts to enable the actual cultivators to obtain seeds of new varieties and to adopt measures for the prevention of pests and diseases ; and that will be the line along which the Oilseeds Committee will also have to work. I may digress here for a minute to explain this question of the production and supply of improved seed. It has been suggested by some persons that this can be done in a period of six months. I am afraid, Sir, it is a matter of more than six years before an adequate quantity of improved seed can be made available ; the research worker when he produces an improved variety only produces a very small quantity at great trouble and expense. The rate of multiplication of the seed may be taken to be about 10 times. That is, if you have 1 lb. of seed and you put it in the ground, after a year you will get 10 lbs. of seeds from it. Therefore in order to provide for hundreds of thousands of acres, you have

[Sir Pheroze Kharegat]

got to keep on multiplying it year after year till the amount of seed that is required becomes available. That is why it takes a comparatively long time between the evolving of a new variety and its adoption on a large scale by the cultivators. I have explained that in the case of cotton, this has already been done because there was a Committee which took interest in the matter and tried to push the thing through. Let us contrast that with the case of rice. It is now 15 years and more since the Imperial Council of Agricultural Research took up the question of rice and they evolved a number of improved varieties. But these varieties have not yet spread amongst the cultivators. The reason is that the Research Council stopped its work when the research was completed. Having evolved new varieties it thought that its work was done and it left the matter of spreading the e varieties amongst the cultivators to the Provincial Governments. The result was that till last year only 6 per cent. of the total area was under improved varieties. If there had been a Rice Committee which would have had representatives of all the interests, the cultivators would have pointed out that steps must be taken by the Committee or by the Provincial Governments or by both jointly in order to ensure that this seed is multiplied to a sufficient extent and made available on a large scale to the cultivators. We hope, Sir, when this Oilseed Committee starts its work it will bear that fact in mind and try to make the improved varieties which have been evolved available to the cultivators. The Council of Agricultural Research has been deriving a certain amount of money from the export of oilseeds, that is, the half per cent. cess which is levied on the export of agricultural products amongst which oilseeds are included. The whole of that amount is meant for agriculture in all its aspects. It includes the promotion of research on wheat, on rice, and on all kinds of crops as well as in respect of animal husbandry products. The amount realised is of the order of 9 to 10 lakhs a year which is obviously insufficient to look after the research on all the agricultural crops of the whole of India. Therefore, the amount that it has been able to spend on oilseeds is comparatively small but it has already undertaken work on the breeding of better varieties of oilseeds and it has had considerable success in connection with castor. In Hyderabad they have evolved a new variety which gives 2 per cent more oil than the variety which was previously generally in use and steps have now to be taken to spread this variety on a big scale.

The work in connection with other oilseeds has not proceeded so far but it is hoped that it will be possible to push it on. The Council has spent something like Rs. 4½ lakhs in trying to evolve better varieties. Fortunately, about three or four years ago the Council received another grant from His Majesty's Government which was paid because the price of groundnuts had fallen too low; on the representation of the Government of India His Majesty's Government agreed to purchase the groundnuts at a higher price and the difference between the price at which they purchased and the price paid to the cultivator was credited to a fund and the proceeds of that fund were used in order to help oilseed cultivation and oilseed storage. From that fund, about Rs. 1½ lakhs have been spent in order to try and do two things, that is to evolve better methods for the prevention of pests and diseases of oilseeds and to ensure that oilseeds in storage do not deteriorate. Work on both these aspects is going on at present and we hope that this work will be taken over by the Oilseeds Committee and pushed on with great vigour.

THE HON. SIR SHANTIDAS ASKURAN (Bombay Non-Muhammadan): What is the total fund collected from this margin between prices?

THE HON. SIR PHEROZE KHAREGAT: The amount was received by the Commerce Department. The total amount was approximately Rs. 11 lakhs, of which about Rs. 5 lakhs went to Madras, 2 lakhs to Bombay, 2 lakhs to Hyderabad and the rest of the money was distributed amongst the other Provinces and States. Rs. 1½ lakhs went to the Imperial Council.

THE HON. SIR SHANTIDAS ASKURAN: Thank you.

THE HON. SIR PHEROZE KHAREGAT: Now, Sir, the scheme that we have in the Bill provides that the funds required should be raised partly by levying a cess on all the oil that is obtained by crushing oilseeds in British India. This cess

will be levied at a rate of 1 anna per maund. This is expected to bring in about Rs. 8 to 10 lakhs a year, but we have no accurate figures at present and we are not quite certain as to what the income from that source will be. In addition to that, it is proposed to levy a cess at 2 annas per maund on all oilseeds that are exported out of India. This will bring in we do not know quite what, because in the pre-war period the quantity of oilseeds exported was 13½ lakhs of tons. Already that amount has dwindled to 3½ lakhs of tons and if the policy which the Government have now accepted is adopted the probability is that the amount of oilseeds exported will dwindle to practically nothing. Our aim is to try and export oil rather than oilseeds, so that the oil cakes may be available in this country both as cattle feed and as manure. So it is very difficult to say how much money we will get from that source but the Committee will have to cut its coat according to the cloth available and if it finds that it cannot carry on the work satisfactorily it will have to come up to the Legislature or to the Government for more funds.

Then, Sir, I may explain that this cess is in addition to the cess of ½ per cent on exports which is already levied on behalf of the Council of Agricultural Research. The incidence of this cess is comparatively negligible. Some people think that it will fall on the producers; some people think it will fall on the consumers, but the actual fact is that the amount is so small and negligible that it will probably be shared between the producers, the manufacturers, the dealers and the consumers, so that, even that small amount will be so distributed that the amount of burden on any one branch of industry will be absolutely negligible.

Now, Sir, I may come to the question of the Committee itself. The idea when this Bill was framed was to have a Committee consisting of about 50 people representing in equal proportion three different interests; that is there were to be about 15 or 16 people to represent the growers, another corresponding number to represent the trade and the manufacturers and a third section to represent the research workers and the Agricultural Departments. There are also a certain number to represent the consumers taken from the Legislature. When the Bill went to the Select Committee in the Assembly one important change was made and that the representation of producers—that is of the agriculturists—was increased from 15 to 21. Certain other minor changes were also made at the same time. As a result of these alterations the Committee will now consist of about 60 members, and the view has been expressed that the Committee will be unwieldy. Therefore, I may explain how these Committees actually function. The method is that the Committee sets up Sub-Committees for each branch of the work: for instance, there is a Sub-Committee for agricultural work, a Sub-Committee for technological work, a Sub-Committee for marketting, a Sub-Committee for Finance and a Standing Executive Committee for carrying on the day-to-day or week to week operations. All the work then is done in Sub-Committees and the main Committee meets twice a year and the work done by the Sub-Committees comes up before the main Committee and it is there reviewed and where necessary alterations are made. In this way, though the Committee itself consists of a large number of people, no practical difficulty is experienced in carrying on the work.

There is one more point I would like to refer to and that is the position of the States. Now the cess that has been proposed will only be levied in British India but we hope that the important Indian States will follow suit and levy a similar cess on all oil that is manufactured in their States. Naturally, we are not in a position to legislate about these matters, and what we propose to do is that, as soon as this Bill becomes law, we will approach the States concerned and ask them to follow suit. In the meantime, we have made arrangements for representatives of one or two States to be on our Committee, so that from the very beginning they may be associated with the work and help to carry it on.

Sir, I think this Bill is entirely non-controversial. The amount of the cess is negligible. The purpose for which it has been introduced is such that nobody can cavil at it. I therefore hope that the Bill will be accepted unanimously. Sir, I move.

*THE HON. MR. HOSSAIN IMAM (Bihar and Orissa: Muhammadan): Mr. President, we welcome this measure, and I think the Agriculture Department and Sir Pheroze Khareghat deserve our thanks for having piloted this Bill. This is a

* Not corrected by the Hon'ble Member.

[Mr. Hossain Imam]

very useful Bill, and in the ordinary course of events I would not have stood up, but I find there are two tendencies which I personally do not like. But circumstances perhaps have forced the Department to exhibit those tendencies. I refer to the unwieldy nature of the Committee. Unwieldy committees really do not help—they rather hinder the administration in a certain measure. A way out has been found by transferring most of the work to sub-committees and merely bringing the decisions before the main Committee for the purpose of registration. But I personally think that it would be better if the idea of giving representation in large numbers to every interest is given up and the effort concentrated on the quality rather than on the quantity of representation.

Secondly, Sir, I feel that perhaps it is the intention of the Government to amend the Bill at a later date, because the quantum of the excise is very small. It comes to something like one-sixth of one per cent. At the present market price of mustard oil at least, it will be one-sixth of one per cent. On groundnut oil it will be about a quarter or one-third of one per cent. We find that oilseeds are taxed at above the existing level. The existing level of taxation was half-per cent. Two annas a maund will amount to almost the same thing. In that case, the taxation is goood But why should the oil, which is the refined product of oilseeds, be taxed at a lower rate. It will not materially change the price to the consumer even if you tnx at say, 4 annas a maund, withthe prices so high.

Again, Sir, I find that no taxation has been provided forn the case of oil cakes. It is in the interests of agriculture that all oilcakes shoulp ibe retained in the country itself, and I thought that, as it did not come in at present under the taxation schedule, perhaps it would have been a good idea to incorporate in this Bill a clause to tax oilcakes if they are being exported out of India. I do not know whether they are being exported or not. If they are being exported, they should be taxed in order to prevent their export, because we must keep all the oilcake that we can find. I have insufficient information on the subject, and therefore I cannot say whether there is any export or not and whether there is really any reason for the stoppage of export of oilcake.

In conclusion, I hope that the Government will take suitable measures to amend the Bill in the direction I have pointed out.

THE HON. SIR DAVID DEVADOSS (Nominated Non-Official): Sir, the object of the Government is no doubt very laudable, but what I object to is, why should everything be centralised? Now, look at clause 4. The number of persons who are to form the Committee, including officials, is 62, if my arithmetic is correct. How often is such a committee going to meet, and would it not be expensive bringing these people from various parts of the country for the purpose of meeting here? If they do not meet oftener than once a year, what is the good of such a committee?

What I submit is, agriculture, and production of oilseeds, is essentially a provincial subject; and seeing that now we are likely to have a number of "Stans"—Pakistan, Hindustan, Dravidistan, and, I suppose, some other "Stans"—why could you not leave this to the various provincial organisations? For example, in the North, people are familiar with mustard seed, linseed, gingili seed, and, of course, groundnut. But, Sir, in Madras there are a number of other seeds from which oil is expressed. For instance, *illuppai*—I do not know the English name for it. The berry is something like an olive; it is green, and very much like an olive. Oil is also expressed from another seed, *margosa religiosa*. Then there are other seeds like *Punnai* from which oil is expressed. Oil is expressed out of them mostly by hand instruments. You may call it a cottage industry. Are you going to impose a cess on all these people under the Act?

THE HON. SIR JOGENDRA SINGH (Education, Health and Agriculture Member): We are not going to do that.

THE HON. SIR DAVID DEVADOSS: If you are going to tax them, how are you going to collect the tax? You may remember that some years ago they wanted

to reduce the income-tax level to Rs. 500, and what a lot of misery it caused. Officers were appointed to assess people, and ordinary betel sellers, ordinary people who earned not more than four annas a day, were assessed, and when they appealed, the appellate authority asked : " Where are your accounts ?" Do you expect an ordinary betel seller to maintain regular accounts ?

THE HON. SIR JOGENDRA SINGH : The Bill makes it absolutely clear that the excise duty is payable only by power presses.

THE HON. SIR DAVID DEVADOSS : Everybody complained. How can you expect an ordinary betel seller to produce accounts ? He makes four or six annas—probably a little more now, say a rupee, on account of war conditions. But how do you expect such people to maintain accounts ? The argument was : You keep no accounts, therefore you are liable to assessment. What I say is this. When you are going to appoint so many people to collect this cess, in order to show that they deserve to be kept on, they will harass people. That is why I suggest that you should allow these things to be done by the provinces, and if you do that, it will be all right. They know what sort of thing should be assessed and who should receive the benefit. Look at all the benefits that we are going to get under the Act. There is very little which the grower is going to get. Clause 9 (2) says :—

" Without prejudice to the generality of the foregoing power, the Committee may utilise the Fund to defray expenditure involved in—

(*a*) undertaking, assisting or encouraging agricultural, industrial, technological and economic research, including research into the food-value of oilseeds and oilseed products ;

(*b*) supplying technical advice to growers and millers ;

(*c*) encouraging the adoption of improved methods of cultivation and storage of oil-seeds";

and so on. These are essentially matters which each Province should take into consideration, because what applies to the North-West Frontier Province or the Punjab does not apply to Madras. Conditions are different. So, leave these things to the Provinces. Otherwise you would no doubt be collecting money and spending it. Next year, if we happen to question about this, it will be said that Rs. 10 lakhs were collected and Rs. 9 lakhs were spent in maintaining the establishment. That is what I object to. There must be some proportion between what you collect and what you spend on the real objects of the measure. I do not at all say that this is a bad measure. But leave it to the Provinces and not have a centralised thing which costs a lot of money and which does not confer a corresponding benefit upon the Provinces. One thing I find. I do not know whether it is purposely omitted or not. This measure was before the Legislature last year. It has taken one year for it to come before us. I do not see when it is coming into force. Probably this omission was an oversight or was an international one. If so, I would ask the Government not to bring this into force for another year so that the Provinces may know what they are going to do. Otherwise, this measure, though its object may be good, I do not think will achieve all the benefit which the Government hopes to get from it.

THE HON. SIR PHEROZE KHAREGAT : Sir, I may explain that no cess has been proposed on oil cakes for the simple reason that there are not exports of oil cakes at present. The need for oil cakes in the country is so great that all exports have been prohibited so that there is no point in levying a cess on the export of oil cakes.

Then, Sir, the question has been raised about the harassment of the people in connection with this Bill. I may explain that the cess will only be levied on the oil which is extracted in power mills, that is, in large factories. There is no intention whatsoever and there never has been any intention of levying a cess on oil crushed in small ghannis or chakis by the cultivators. Those are entirely exempt from the cess.

The point has been raised as to why we did not leave it to the Provinces to do this work. As I explained, we left the question of rice to the Provinces. We at the Centre evolved improved varieties and asked the Provinces to spread them. The result has been that in 15 years, only 6 per cent. of the area has come under improved varieties as contrasted with the case of cotton where nearly 70 per cent of the area has already come under improved varieties. The same is the case in regard to sugar cane. There again, there is a Committee which looks after the work

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and as a result, nearly 90 per cent. of the area under sugar cane is already under Coimbatore improved varieties. It is necessary for the Centre to give adequate guidance and help to Provinces in order to carry on this work. The way in which these Committees function is that they ask the Provinces to prepare schemes of work. We do not do the work centrally ourselves. Each Province, in the light of its own conditions, puts up schemes before the Committee. These schemes are then examined from the technical point of view and funds are sanctioned to the Provinces to carry on the scheme, usually on a fifty-fifty basis: that is to say, the Provinces find half the cost of the scheme and the Committee finds the other half so that there is a joint co-operative effort by which both the Centre and the Provinces work together in order to carry on this work. I do not think, Sir, it will be feasible to find any better system of work then joint work by the Provinces and the Centre in order to promote the welfare of the people.

Some remarks have been made, Sir, about the expense involved in such a large committee. The Cotton Committee is more or less of the same size as this Committee. I looked up the actual figures of cost and the travelling expenditure for the members and others who are asked to attend meetings comes to Rs. 25,000 a year. Rs. 25,000 spent in getting people together, who know the problems and can give guidance as to the lines along which the work should be done is, I submit, very far from excessive and they have to administer funds which may amount to Rs. 10 lakhs or we may hope later that the amount may even increase to Rs. 20 lakhs. So Rs. 25,000 is not too much from that point of view. I admit, Sir, that the Committee is on the large side and the reason for that simply is that we have got to try and ensure that every interest is adequately represented on the Committee. I regard these Committees as a sort of Parliament of that particular commodity where every single interest has to be represented so that they may all feel that the work that is being done is done with their consent and has their wholehearted support. We have to have a certain number of producers, *i.e.*, agriculturists, from all the different parts of the country so that all their interests may be represented. Then again there are manufacturers. There are manufacturers in different parts of India and if we take one manufacturer from, say, Bombay, naturally the man in Madras will ask why he should not come in, and the Northern India man will ask that he should also be represented and so on and we have to bear their desires in mind and bring in a sufficient number of people so as to secure an adequate representation of all interests and of all parts of this large country. That is the only reason why we have had to make this Committee so large in size. But in actual practice I feel confident that no real inconvenience will be experienced because of the method in which the Committee functions, that is through the Sub-Committees.

I think those are all the objections that have been raised, and in view of what I have said, I hope there will be no difficulty about accepting this Bill unanimously.

*THE HON. SIR N. GOPALASWAMI AYYANGAR (Madras: Non-Muhammadan): Sir, I only wish to ask one question. In sub-clause (*s*) of clause 4 provision is made for the representation of the two Houses of the Central Legislature on this Committee. Is there any particular reason why this distinction is made between the Council of State and the Legislative Assembly? While the Legislative Assembly is asked to elect 4 and the electorate is going to be only the elected members of the Legislative Assembly, in the Council of State, apparently, it is all the Members, and unless the last portion of this sub-clause is differently interpreted, it would mean that while the elected members of the Legislative Assembly have to elect 4 from among their own number, the Council of State is left free to elect 2. They need not apparently even be members of the Council of State. Probably the Draftsman may argue "from among their number" governs the provision for election by the Council of State also. Will the Hon. Member kindly enlighten us on this distinction made between the two Houses of the Legislature?

*Not corrected by the Hon. Member.

THE HON. SIR PHEROZE KHAREGAT: Sir, the original provision of the Bill was that there should be 6 persons, 2 elected by the members of the Council of State and 4 elected by the Legislative Assembly. When the Bill came up before the Legislative Assembly, that is, after it had passed the Select Committee, at the last moment an amendment was put up that only the elected members of the Legislative Assembly should take part in this election, and there seemed to be no reason for not accepting that amendment. That is how the amendment actually came to be put in the Bill as it now stands. I think that in actual practice it can be arranged that in the Council of State also only the elected members may take part in the election of these members, if that is the wish of the House.

*THE HON. SIR N. GOPALASWAMI AYYANGAR: Will the Government then take the responsibility of giving instructions to members other than elected members of the Council of State not to take part in the election? I personally am not one of those who necessarily support the view that the election should be confined to the elected members. But once you have made that provision in the case of the Legislative Assembly, it ought to be made also in the case of members of the Council of State. I am quite willing to reverse that also. If you make the election in the Council of State from all the members, that should be the case in the case of the Legislative Assembly also.

THE HON. SIR PHEROZE KHAREGAT: We are completely in the hands of the House. If it is the desire of the House that it should be restricted only to elected Members, we shall issue instructions accordingly. If, on the other hand, it is the desire of the House that all the members should take part in it, we shall issue instructions to that effect.

THE HON. SIR RAMUNNI MENON (Nominated Non-Official): Sir, I should like to say that the existing provision in the Bill is in full conformity with the practice which is in vogue in this Council in regard to elections to almost all Standing Committees or Committees of any other kind. On a former occasion I remember having raised the particular point which we are debating now, why a certain Committee was going to be filled by election from among the elected members of this House. At that time it was explained that while the Government fully sympathised with that particular point of view, it so happened that in the Select Committee in the other House an amendment which sought to impose the particular method of election was introduced and there was no time for full consideration being given by the Govt. to the matter. In the circumstances I must express my great surprise that a suggestion has now been proffered by the Government spokesman that the Government would in practice issue instructions which would have a restrictive.

THE HON. THE PRESIDENT: The Hon. Member has said that he will carry out the instructions of this House.

THE HON. SIR RAMUNNI MENON: As a nominated member, I strongly oppose that suggestion. We, nominated members, as long as the present constitution continues, have the fullest right to take part in any activity in this Council not only to take part in any voting, but also in being represented on any body to which this Council elects members. I therefore strongly oppose that suggestion.

*THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern Non-Muhammadan): May I ask another question on this subject? My Hon. friend Sir Pheroze Kharegat has said that Government will act in the matter of the election of representatives of the Council of State to the Committee which will manage the yield of the cess under this Bill in accordance with the wishes of the House. If the House desires that only the elected members of the Council shoud take part in the election of the representatives of the Council of State, Government will issue directions accordingly. But how will the wishes of the House be ascertained? That is what I should like to know.

THE HON. SIR PHEROZE KHAREGAT: I think, Sir, that matter may well be left to the future. When the question of the election is brought up before the House, the House will be in a better posistion to say whether the election should or should not be restricted. The matter will be put to the House and it will then express its views in the matter.

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*Not corrected by the Hon. Member

THE HON. PANDIT HIRDAY NATH KUNZRU: Will the Govesnment take part in the voting or will they refrain from taking part in the voting?

THE HON. SIR PHEROZE KHAREGAT: I cannot give any undertaking as to what the Government of that time may decide to do. These are hypothetical questions and I think they may well be left to the time when the question arises.

THE HON. SIR SOBHA SINGH (Nominated Non-Official): Sir, at the last meeting of the Council, I resigned from the External Affairs Department Committee, although I was elected, to meet the wishes of my Hon. friend, the Leader of the Opposition, because I felt that he was a more deserving person than myself.

THE HON. SIR N. GOPALASWAMI AYYANGAR: There is only one other matter. Government at a later stage can bind by executive instructions only the voting of official members in this House. If the sub-clause stands as it is in the Bill nominated members will have the right to participate in the election and the Government can conceive of no circumstances under which they can deprive nominated non-official members from participating in the election.

THE HON. KHAN BAHADUR KERAMAT ALI (Assam: Muhammadan): MayI know from the Hon. Mover as to why Assam has been excluded from clauses (*e*) and (*g*) in section 4? Assam is a province that produces a large quantity of mustard seed and there are several mustard oil mills and there is an association of mill-owners. That Province should have been included either in clause (*e*) or in clause (*g*).

THE HON. SIR PHEROZE KHAREGAT: The total production of oilseeds in Assam is of the order of 65,000 tons a year as compared with Madras which has 1,245,000, or Bengal which has 200,000, Bihar which has 200,000, Bombay which has 450,000 and the Central Provinces with 200,000. What we have done is that we have taken the areas where there is a large quantity of production and given special representation to them. Areas where the production is comparatively small have had to be excluded simply in order to prevent the Committee from becoming more unwieldy than it is.

THE HON. MR. M. THIRUMALA ROW (Madras: Non-Muhammadan): With regard to sub-clause (*q*) of clause 4, may I know which is the headquarters of this organisation, *viz.*, the Federation of Rural Peoples' Organisations?

THE HON. SIR PHEROZE KHAREGAT; The headquarters are in Delhi. It is an organisation of which—I am sorry Mr. Hossain Imam is not here—he is the Vice-President, and it represents a number of Kisans or peasants organisations in various provinces. They are affiliated to the Central Organisation in Delhi.

THE HON. MR. M. THIRUMALA ROW: Does it include also organisations of agricultural labour, or is it merely a representative body of producing interests?

THE HON. SIR PHEROZE KHAREGAT: As far as I am aware, Sir, I think it does represent the organisations of agricultural labour as well.

THE HON. THE PRESIDENT: Motion made:—

"That the Bill to provide for the creation of a fund to be expended by a Committee especlly constituted for the improvement and development of the cultivation and marketing of oil seeds and of the production, manufacture and marketing of oilseeds products, as passed by the Legislative Assembly, be taken into consideration".

Question put and Motion adopted.

Clause 2 was added to the Bill.

Clauses 3, 4, 5, 6, 7 and 8 were added to the Bill.

Clauses 9, 10, 11, 12, 13, 14 and 15 were added to the Bill.

Clauses 16, 17, 18 and 19 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HON. SIR PHEROZE KHAREGAT: Sir, I move:—

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

THE HON. MR. N. K. DAS (Orissa: Non-Muhammadan): I want to have information just on one point. It is said in section 3, clause (*a*), that an excise duty of 1 anna per maund will be levied on "all oils extracted from oilseeds crushed in any mill in British India". What happens to the mills situated in the Indian States where oil is pressed and imported into British India? Is it to be taxed again? Then, Sir, I would also like to know whether the money derived from these cesses will be distributed amongst the Provinces as was done in the case of the money obtained from groundnuts. That money, as the Secretary in charge has told us, was distributed among Madras and other Provinces, probably on the basis of the acreage in those Provinces. I should like to know if any amount of the cess that is levied on oilseeds will be similarly distributed among the Provinces which happen to have large acreages of oilseeds.

THE HON. SIR PHEROZE KHAREGAT: As regards States, I thought I had explained the position that no legislation in British India can apply to the States and we are hoping that the States will pass similar legislation in respect of factories situated within their own jurisdiction and they will levy the cess. It will then be a matter of negotiation as to how much of that cess should remain with the State and how much of it should be paid by the State to the Committee, for its work.

As regards the distribution of the money that will come to the Committee the system is that schemes are put up by the Provinces. There is no allotment of so much for each Province. The various Provinces study their own requirements and they put up schemes before the Committee. The Committee examines each of those schemes and sanction them in so far as its funds permit. If the number of schemes is more than can be financed, the Committee decides on the order of priority to be allotted to the schemes and those schemes which are considered to be the most important and the most beneficial are naturally given a higher order of priority than others, so that the most important schemes are taken up first and the others follow as soon as more funds can become available for them. In actual practice, it has been found that the funds distributed by the Committee are given to almost all the Provinces and care is taken to ensure that no one Province gets too much and no one Province gets too little or nothing.

The Motion was adopted.

FACTORIES (AMENDMENT) BILL

THE HON. MR. S. LALL (Labour Secretary): Sir, I move:—

"That the Bill further to amend the Factories Act, 1934, as passed by the Legislative Assembly, be taken into consideration."

This measure dealing with the reduction of hours of work in factories is of far reaching importance and of great urgency. But it cannot be said to be revolutionary in any sense of the term. It is only another stage in a natural process of evolution and its provisions are already being observed by quite a large percentage of factories —on a rough estimation between 30-40 per cent.

I should like to refer very briefly to the various stages in reduction of hours in factories. Before 1891 was the period of unbridled *laissez faire*, the employer being left to do what he liked and the employee to fend for himself. In 1891 was the first step but the Act only provided a maximum limit of 11 hours a day and that too for women only. Twenty years later (*i.e.*, in 1911) came the second step. The limit of daily hours was fixed at 12 for men for textile factories only. Then came the I. L. O. and at the first International Labour Conference (1919), known as the Washington Conference with its Hours Convention which fixed 48 hours a week for all countries but for India a special clause provided 60 hours a week. This was followed in 1922 by an amendment of the Factories Act providing a 11 hour day and 60 hour week. This was regarded as a great step for India but still well below the standard of other industrial countries. In 1929 the Royal Commission on Labour was appointed and recommended a reduction from 60 to 54 in perennial factories. This was given effect to by the revised Factories Act, 1934, which provided a 10 hour day for perennial factories and a 11 hour day for seasonal factories and a 54 hour week for perennial factories and 60 hour week for seasonal

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factories. This Act continues in force this day and the measure now before the House seeks to take the next step in the progress in reduction of hours of work which started, as I have indicated, in the year 1891. I have given this brief historical outline to show that "gradualness" has been the key-note and the guiding principle. If this measure passes into the Statute Book we shall have reached the standard prescribed by the Washington Hours Convention in 1919 for other countries.

But I must make it clear that I do not myself believe that the limit of reduction has been reached. In other advanced industrial countries there is a movement towards a further reduction in weekly hours to 44, 42 or even 40. We cannot be dogmatic in this matter. We must watch results and if we can we should be prepared to reduce working hours because on climatic grounds there is certainly a case for shorter hours. At each stage in the reduction of hours there was dire foreboding as to the consequences to industry. But these pessimistic forecasts fortunately were not justified. I have no doubt that the measure now before the House will not lead to any dire consequences.

Referring now to the provisions in this Bill, the main points relate to weekly hours, daily hours, spread-over and overtime. In all these matters the aim is to secure an improvement in the lot of the worker. The weekly hours under the existing Act are 54 for perennial factories and 60 for seasonal. It is now proposed to reduce these hours to 48 and 50 respectively. The daily hours are 10 for perennial and 11 for seasonal. They will now be 9 and 10 respectively. The spreadover allowed is 13 hours which will be reduced to 10½ hours for perennial factories and 11½ hours for seasonal factories, the main object of this reduction being to disallow multiple shifts. As regards overtime, the existing Act provides for two rates, *viz.*, 1¼ and 1½ above the ordinary rate. The Bill will raise the overtime rate to twice the ordinary rate. Overtime in perennial factories will now be payable in perennial factories if the worker works more than 9 hours a day or 48 hours a week: in seasonal factories, it will be payable if the worker does more than hours a day or more than 50 hours a week.

The urgency of this measure is obvious. The hours of work in India obviously needed lowering judged by international standards. This is the most opportune moment when alapse from full employment which was created by wartime activities is inevitable. Whatever steps may be taken to create employment, its volume cannot reach the peak of the war period. The reduction in hours will, it is believed, take up some of the slack of unemployment. But this is not the only reason. The workers in India as in other countries have felt thestra in of war work. They need relief, more so having regard to the food position. At the same time we are not unmindful of the public interest. The shortage of cloth is such that we cannot contemplate any reduction of production. The Bill provides for exemptions if this is justified in the public interest.

To me personally who served with the Royal Commission on Labour it is a great privilege and pleasure to be associated with this measure which I now heartily commend to this House. Sir, I move.

The Motion was adopted.

Clauses 2 to 7 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HON. MR. S. LALL : Sir, I move : —

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

The Motion was adopted.

PROVIDENT FUNDS (AMENDMENT) BILL

THE HON. MR. V. NARAHARI RAO (Finance Secretary) : Sir, I move : —

"That the Bill further to amend the Provident Funds Act, 1925, as passed by the Legislative Assembly, be taken into consideration."

Sir, the Bill is a highly technical one, and it has been thrashed out exhaustively by the Select Committee of the Assembly who reported unanimously on it. The Legislative Assembly has, after due consideration of the report of the Select Committee, passed the Bill which is now before this House.

The amendments are based on considerations of equity. The object of the Bill is to remove certain doubts and difficulties which have arisen as the result of conflicting judicial rulings. It is intended to make it clear that the right of a subscriber's nominee to receive his provident fund deposits is not a vested right accruing to the nominee as soon as the nomination is made, but only a contingent right ; that the right of a nominee is also subject to the nomination becoming invalid through the happening of some specified contingency or due to a subsequent amendment made in the Rules ; and that if a nominee does not survive the subscriber, the nomination shall cease to subsist so far as it concerns him unless it appears from the nomination that, in that event, the sum in question should go to some other specified person. 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 HON. MR. V. NARAHARI RAO : Sir, I move :—

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

The Motion was adopted.

TRADE MARKS (AMENDMENT) BILL

THE HON. MR. Y. N. SUKTHANKAR (Commerce Secretary) : Sir I move :—

" That the Bill to amend the Trade Marks Act, 1940, as passed by the Legislative Assembly, be taken into consideration. "

Sir, this is a beneficial Bill, the extent of where benefit should not be judged by the smallness of its size or the brevity of my remarks recommending it for the acceptance of the House. Trade Mark legislation is of recent growth in this country. It was just about six years back that Act V of 1940, which is the basic Act for Trade Mark legislation, was brought into force. Prior to that, according to the scathing words of a high judicial authority, " in company with Abyssinia, Solomon Islands, Monaco, St. Helena, Sarawak and other countries of similar commercial standing, this great Empire of India had no Trade Mark legislation. " Well, Sir, that reproach was removed by the passing of Act V of 1940 but certain difficulties were brought in its train. Since this Act was passed in British India, it was copied by several States some of whom were industrially advanced and others perhaps not so advanced. I am not attributing any motives to anybody but the fact remains that the commercial and industrial community in British India was greatly perturbed over these happenings. They felt—I submit quite rightly—that if this process went on and all the States copied this Act, a position may arise in which trade marks had to be registered over and over again in different territories, fees had to be paid every time a trade mark unregistered in a different territory and a position of great uncertainty, in so far as legal decisions given by them various states judicial authorities were concerned, would be created. It was, therefore, represented to the Government of India by commercial and industrial communities all over India that something should be done about this. The question of introducing reciprocal arrangements has, in these circumstances, engaged the attention of the Government of India for some time. Any scheme which would deal with this reciprocal arrangement, Sir, must attend essentially to the following points, namely, the desirability of establishing a Registry at a convenient centre so that registration should be effective in all the territories to which it would apply, uniformity of trade mark procedure and administration, the desirability of avoiding conflict of judicial decisions, the desirability of avoiding the registration of the same trade mark by the same proprietor in more than one territory, payment of separate fees in more than one territory and enforcement of similar

[Mr. Y. N. SUKTHANKAR]

legal processes more than once in the various territories and finally, the establishment of a Trade Mark Journal to which reference could be made and examination of the various trade marks facilitated. Such a scheme has been prepared and I am glad to say that it was prepared in consultation with the representatives of the commercial opinion and more or less accepted by them and it has also secured the consent more or less of such States as have been consulted. It is in order to implement this scheme that we have brought this Bill. I need draw the attention of Hon. Members only to a few clauses of the Bill, namely, clause 12, clause 5 and clause 9, which are the operative clauses. I would also draw attention to clause 2 which provides for the appointment of 2 Deputy Registrars or more. This is due to the fact that we expect that the work in the Trade Mark Registry would greatly expand after the scheme comes into force. According to figures available with me which reprosent the facts as they were on or about the 16th March, the Trade Mark Registry had received approximately 1,37,000 applications and about 58,000 applications are still pending. There is also a background to this clause 2 which I shall briefly explain. As you know, Sir, sometimes certain sections of such legislation give rise to unreasonable fears in the other place it was feared that the result of the passing of this clause as originally drafted may be that the post of Deputy Registrar in Calcutta may be held in abeyance and Dy. Registrar removed to Bombay. I need hardly say that there was no such intention and there was no idea of Bombay *vs.* Calcutta underlying the legislatures. We have, therefore, provided in this clause that there shall be two or more Deputy Registrars, one of whom will be in Calcutta and the other in Bombay and a definite assurance has been given by the Hon. the Commerce Member to that effect in another place. Sir, I move.

The Motion was adopted.

Clauses 2 to 14 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HON. MR. Y. N. SUKTHANKAR : Sir, I move :—

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

The Motion was adopted.

INDIAN COMPANIES (AMENDMENT) BILL

THE HON. MR. Y. N. SUKTHANKAR (Nominated Official) : Sir, I move :—

"That the Bill further to amend the Indian Companies Act, 1913, as passed by the Legislative Assembly, be taken into consideration."

Sir this is a small Bill but of great practical utility to those whom it concerns Sub-section (2) of section 282B of the Indian Companies Act, 1913, requires that all the moneys of Provident Funds of Companies shall be invested either in the Post Office Savings Bank or in trust securities. No exception can be taken to this provision because, Sir, these amounts invested in the Provident Funds represent the savings of small and low paid servants of these companies. At the same time, the practical working of this provision has given rise to certain difficulties. It is found that the upper limit of the sum which can be invested in a Post Office Savings Bank is only Rs. 5,000. Further, a sum can be withdrawn from the Post Office Savings Bank only once a week. There are certain Provident Funds which have large amounts and a fairly substantial amount is required for carrying out the day to day work, which is estimated roughly at about 10 per cent. of the total amount in the Provident Fund. We have, therefore, provided that whatever difference there may be between the 10 per cent. or whatever percentage they require for their day to day expenses and Rs. 5,000, which is the upper limit of what can be invested in the Post Office Savings Bank could be transferred to a scheduled bank to be drawn upon for the day to day requirements. 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 HON. MR. Y. N. SUKTHANKAR : Sir, I move :—

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

The Motion was adopted.

RAILWAY COMPANIES (SUBSTITUTION OF PARTIES IN CIVIL PROCEEDINGS) BILL

THE HON. THE PRESIDENT (to the Hon. Mr. K. V. K. Sundaram) : You have been appointed to move this Bill in the absence of Sir Eric Conran-Smith. Will you move it ?

THE HON. MR. K. V. K. SUNDARAM (Nominated Official) : Sir, I move :—

" That the Bill to provide for the substitution of the Governor General in Council for certain Railway Companies in certain civil proceedings, as passed by the Legislative Assembly, be taken into consideration. "

Sir, as explained in the Statement of Objects and Reasons, the Bill is for the purpose of removing certain legal difficulties arising out of the recent acquisition by Government of the four Railway Companies, namely, the B. N., the B. B. & C. I., the B. & N. W. and the R. & K. The transfer of the contractual and other liabilities of the Companies to the Government of India does not bind the persons who are entitled to enforce these liabilities in a court of law. In certain cases the plaintiffs have not agreed to the substitution of the Governor General in Council for the defendant company. A similar legal difficulty is experienced by liquidators in completing the liquidation proceedings. Government have assumed in the process of acquiring these Companies the responsibility for their liabilities and obligation and the indemnification cannot be said to be complete until the Company's name in the outstanding civil proceedings has been removed and replaced by that of the Governor General in Council, and that is what the Bill seeks to do. Sir, I move.

The Motion was adopted.

Clause 2 was added to the Bill.

Clause 3 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HON. MR. K. V. K. SUNDARAM : Sir, I move :—

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

The Motion was adopted.

INDIAN COCONUT COMMITTEE (AMENDMENT) BILL

THE HON. SIR PHEROZE KHAREGAT (Agriculture Secretary) : Sir, I move:—

" That the Bill further to amend the Indian Coconut Committee Act, 1944 as passed by the Legislative Assembly, be taken into consideration ."

I do not think, Sir, it is necessary to make any lengthy remarks in connection with this Bill. It is only a brief amending Bill. The original Coconut Committee Act was passed in 1944. There were, however, certain provisions of the Bill which appeared to depend on the continuance of the emergency legislation and it was thought that if those provisions were allowed to stand the Bill might lapse by September 1946. In order to remedy that defect, certain verbal alterations have been made in those clauses, so that it will now be possible for the Committee to continue on a permanent basis. There are some other minor verbal alterations about which I need say nothing. Sir, I move.

The Motion was adopted.

Clause 2 was added to the Bill.

Clauses 3, 4 and 5 were added to the Bill.

Clauses 6, 7, 8, 9 and 10 were added to the Bill.

Clause 1 was added to the Bill.

The Title nad Preamble were added to the Bill.

THE HON. SIR PHEROZE KHAREGAT: Sir, I move :—

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

The Motion was adopted.

PROTECTIVE DUTIES CONTINUATION BILL

THE HON. MR. Y. N. SUKTHANKAR (Nominated Official): Sir, I move :—

"That the Bill to extend the date up to which duties characterised as protective in the First Schedule to the Indian Tariff Act, 1934, shall have effect, and further to amend the Sugar Industry (Protection) Act, 1932, as passed by the Legislative Assembly, be taken into consideration."

Sir, I do not propose to occupy the time and attention of the House longer than necessary. This is a Bill which may well be characterised according to some as of a purely routine nature, although it is of great importance to the industries and the interests concerned. The action we propose to take falls into three parts. In the first instance, Sir, we are asking for the consent of this House to the extension by one year of the protective duties on sugar, wood pulp, paper, cotton and silk manufactures, gold and silver thread and wire (including the so-called gold thread and wire mainly made of silver) and iron and steel manufactures, which were extended for a period of two years with effect from the 1st April 1944 and due to expire on the 31st March 1946. Secondly, we are asking for an extension of the protective duties on wheat and wheat flour which were also extended for a period of two years by the Protective Duties Continuation Act, 1944, which expire on the 31st March, 1946. In fact there are no duties on the imports of the products now. Someone has said "it is excellent to have a giant's strength but not to use it like a giant". We propose to use it if circumstances warrant it. Lastly, besides continuing the protective duty on sugar for another year we consider it necessary to keep in force for the same period the whole of the Sugar Industry (Protection Act) Act, 1932, which ceased to operate after the 31st March, 1946, in order to keep alive certain provisions of this Act which are extremely necessary in the present days so that Government could keep themselves fully informed of the statistical position. Sir, I move.

The Motion was adopted.

Clause 2 was added to the Bill.

Clause 3 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HON. MR. Y. N. SUKTHANKAR: Sir, I move :

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

The Motion was adopted.

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern: Non-Muhammadan): Sir, I think it will be to the convenience of the House if the discussion of this question (Bill to give Hindu married women Right to separate residence and maintenance) is postponed till the next day when the Council meets, I believe that this idea is acceptable to the Government and I trust therefore that you will have no objection in postponing the discussion to Monday next, when I understand the Council will meet.

THE HON. SIR MAHOMED USMAN (Leader of the House): I have no objection. We will adjourn to the 15th when this Motion of the Hon. Pandit Kunzru will be taken up along with other Government business.

The Council then adjourned till Eleven of the Clock on Monday, the 15th April 1946.

COUNCIL OF STATE

Monday, the 15th April, 1946

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

MEMBERS SWORN

The Hon. Mr. Geoffrey Stephen Bozman (Information and Arts Secretary).

The Hon. Dr. Dhirendra Mohan Sen (Nominated Official).
The Hon. Mr. Ambrose Dundas Flux Dundas (War Secretary).

QUESTIONS AND ANSWERS

Pay of Military Estate Officers

284. THE HON. PANDIT HIRDAY NATH KUNZRU : (*a*) Is it a fact that while the minimum pay of a British Military Estates Officer is over Rs. 1,100 per month, the maximum pay an Indian officer can draw is Rs. 930 only ?

(*b*) Are Military Estates Officers subject to the same Pension Rules as Indian Commissioned Officers except that they can qualify for a major's pension after twenty years' service against seventeen years' service in the case of I. C. Os. ? If so why were they not allowed the benefit of the revised scale of pay for I.C.Os. which was sanctioned last year ?

THE HON. MR. A. D. F. DUNDAS : (*a*) No, Sir. The minimum pay of a British Military Estates Officer is Rs. 815 per month unmarried, and Rs. 850 per month married.

At present only three Indian officers are substantively employed as Military Estates Officers. They are all Viceroy's Commissioned Officers holding the honorary rank of captain. The maximum pay admissible to such an officer is Rs. 930 p.m.

No King's Commissioned Indian Officer or Indian Commissioned Officer is at present employed as a Military Estates Officer. If such officers are employed in this Department in future, their pay will differ by the Indian Army allowance, which is admissible only to K.C.I.Os. and those domiciled in Europe and is similar to overseas pay.

(*b*) Indian Commissioned Officers who may be appointed to the Lands Branch of the Cantonments Department are eligible for retiring pensions and gratuities and ordinary family pensions at the same rates and under the same conditions as are applicable to Indian Commissioned Officers of the Indian Army.

It has also been decided that Viceroy's Commissioned Officers holding honorary King's Commissions and serving in the Lands Branch of the Cantonments Department will be granted retiring, disability and family pensions and gratuities at the same rates and under the same conditions as are applicable to Indian Commissioned Officers. For this purpose, service rendered since the date of joining the Cantonments Department up to the date of completion of 20 years departmental service will be classed as in the rank of captain (I.C.O.) and that after the completion of 20 years departmental service, as in the rank of major (I.C.O.)

Viceroy's Commissioned Officers serving in the Lands Branch are not allowed the benefit of the revised pay for Indian Commissioned Officers as they are in receipt of a special scale of pay Rs. 400—20—800 p.m.

THE HON. PANDIT HIRDAY NATH KUNZRU : May I ask a supplementary question, Sir ? On what grounds does the Hon. Member say that the Indian officers there are Viceroy's Commissioned Officers ? Have they ever been told that they are Viceroy's Commissioned Officers ?

THE HON. MR. A. D. F. DUNDAS: They have never been anything else. They are Viceroy's Commissioned Officers who are at present serving in the Military Estates Branch.

THE HON. PANDIT HIRDAY NATH KUNZRU: Is the Hon. Member aware that at least one of these officers is not a Viceroy's Commissioned Officer?

THE HON. MR. A. D. F. DUNDAS: No, Sir, I have not been informed of that fact.

THE HON. PANDIT HIRDAY NATH KUNZRU: Will the Hon. Member look into the matter.?

BRIGADIER THE HON. SIR HISSAMUDDIN BAHADUR: May I say that in the old days we used to call them the "Indian officers" but that they are now called the "Viceroy's Commissioned Officers"?

THE HON. PANDIT HIRDAY NATH KUNZRU: I perfectly understand that, but would the Hon. Member mind letting the War Secretary reply to my question?

THE HON. MR. A. D. F. DUNDAS: If the Hon. Member will give me the name it will make it much easier for me to look into the matter.

THE HON. PANDIT HIRDAY NATH KUNZRU: There are three officers and the Hon. Member can ask whether, with the exception of one of them, there is any other holding the rank of V.C.O. or promoted from the ranks.

THE HON. MR. A. D. F. DUNDAS: Sir, I have already stated that they are Viceroy's Commissioned Officers. If the Hon. Member's information is to the contrary it would help me considerably if he would inform me which officer he has in mind.

THE HON. PANDIT HIRDAY NATH KUNZRU: Is it a fact that when these officers made representations asking that their prospects should be improved, they were told that they should wait till the revised scale of pay for I.C. Os. was notified?

THE HON. MR. A. D. F. DUNDAS: I regret I cannot answer that question without notice.

APPOINTMENT OF RETIRED MILITARY ESTATE OFFICERS

285. THE HON. PANDIT HIRDAY NATH KUNZRU: (*a*) Will Government state whether two British Military Estates Officers who retired some years ago have been re-employed? If so, why?

(*b*) Have they been appointed Officiating Deputy Directors, Military Lands and Cantonments, from time to time and the claims of the three Indian officers in the Lands Branch been ignored although retired officers who are re-employed are supposed to be junior to regular officers?

(*c*) What steps do Government propose to take to remove the injustice that is being done to the Indian officers?

THE HON. MR. A. D. F. DUNDAS: (*a*) Yes, Sir. The normal source of recruitment to the Lands Branch of the Cantonments Department is the Indian Army. As during the war recruitment from that source was impracticable, the Department has been and is extremely short of officers owing to retirements and the release of certain officers for temporary military duty. This shortage was partly made up by re-employing two retired British Military Estates Officers.

(*b*) Yes, Sir. They were so appointed once or twice in short leave vacancies, as a matter of administrative convenience. The three Indian officers in the Lands Branch are junior also to certain King's Commissioned Officers. Their claims to higher administrative appointments have not been ignored and will be duly considered when opportunities occur.

(*c*) No injustice has been done to the officers in question.

THE HON. PANDIT HIRDAY NATH KUNZRU: Would any of the three Indian officers have been appointed Officiating Deputy Director but for the appointment of the two retired British Military Estates Officers?

THE HON. MR. A. D. F. DUNDAS : Not necessarily, Sir, as they were not the next senior for appointment, even if the appointments had not been merely very short term appointments.

THE HON. PANDIT HIRDAY NATH KUNZRU : When the two British Military Estates Officers were appointed Deputy Directors, would as a matter of fact any of the Indian officers have got a chance of promotion ?

THE HON. MR. A. D. F. DUNDAS : Not necessarily, Sir.

THE HON. PANDIT HIRDAY NATH KUNZRU : The Hon. Member is referring to theory : I am asking a question on a point of fact.

THE HON. MR. A. D. F. DUNDAS : As there is no point of fact in a question which contains the word "would" it can only be answered as a matter of theory.

THE HON. PANDIT HIRDAY NATH KUNZRU : The Hon. Member has merely told us about the seniority of these people, but he does not say whether at the particular time when the British officers were appointed Deputy Directors, these Indian officers would have got a chance of officiating as Deputy Directors.

THE HON. MR. A. D. F. DUNDAS : I have tried to answer the question, but I regret I cannot ; it is theoretical.

THE HON. SIR N. GOPALASWAMI AYYANGAR : Were the retired officers asked to come back to service because it was held that the two Indian officers were not eligible for promotion ?

THE HON. MR. A. D. F. DUNDAS : No, Sir.

THE HON. PANDIT HIRDAY NATH KUNZRU : When these officers were re-employed, were they asked to serve in a junior capacity, as many officers in other branches of the army at least in England have done ?

THE HON. MR. A. D. F. DUNDAS : No, Sir. I do not think it would be correct to say that.

THE HON. PANDIT HIRDAY NATH KUNZRU : If more officers were needed why were not these officers appointed as junior officers and the other officers given a chance of promotion, whoever they were ?

THE HON. MR. A. D. F. DUNDAS : I regret I have not that information with me.

CREATION OF THE LANDS, HIRINGS AND DISPOSALS SERIVCE

286. THE HON. PANDIT HIRDAY NATH KUNZRU: (*a*) Has a new service known as the "Lands, Hirings and Disposals Service " been created whose duties are very similar to those of the Lands Branch, Cantonments Department ? What is its sanctioned strength and what are the qualifications required of the officers selected for it ?

(*b*) Does it consist entirely of British officers, many of whom have been imported in England ? If so, why has the Service been made wholly British ?

(*c*) Is it a fact that two Military British Estates Officers have been appointed to superior posts in this Service and that some more of them have been offered appointments in it ? Is it intended that this Service should virtually replace the Lands Branch ?

(*d*) Have Government decided not to promote the Indian officers in the Lands Branch to superior posts in the Service and to give no consideration to their claims for transfer to the Lands, Hirings and Disposals Service ? If not, what steps do Government propose to take to remove their grievances in regard to these matters ?

THE HON. MR. A. D. F. DUNDAS : (*a*) (1) The Lands, Hirings and Disposals Service was created in November 1944 to deal with all buildings and lands acquired, requisitioned or hired by the Services after 3rd September 1939, and is purely a war-time organisation.

The Lands and Cantonments Department has continued to perform its pre war duties in respect of Cantonments and of Lands held by the War Department before the outbreak of war.

(2) The present sanctioned strength is 165 officers and its technical officers are required either :—

(*i*) to be Chartered Surveyors, Land or Estate Agents ; or (*ii*) to have high qualifications in valuation of lands and buildings as a result of service in the Indian Service of Engineers, Provincial Services of Engineers or Provincial Civil Services.

(*b*) The present strength is—

British	114
Indian	40

and of the British officers, 51 are due for release during the next four months.

(*c*) Two senior British Lands and Cantonments Officers who were also qualified Surveyors were appointed to superior posts in this Service. Another senior officer who has had considerable experience has also been appointed. No decision has yet been taken whether this Service will be retained after it has liquidated the liabilities acquired during the war.

(*d*) No such decision has been taken. There are only 3 permanent Indian Military Estates Officers in the Lands Branch of the Cantonments Department and they are all junior to all the British Military Estates Officers. Three of the British Military Estate Officers have been deputed to the Lands, Hirings and Disposals Service. Seven Indians who are Cantonment Executive Officers are also being loaned to the Lands, Hirings and Disposals Service.

THE HON. PANDIT HIRDAY NATH KUNZRU : Could not the officers of the Lands Branch, Cantonments Department, do the surveying and valuation work ?

THE HON. MR. A. D. F. DUNDAS : Everybody who has sufficient qualifications and experience has been put into it. Nothing is holding up derequisitioning more than the inability to find officers with the necessary experience and qualifications and we are searching all branches of the service and the civil community to find them.

THE HON. PANDIT HIRDAY NATH KUNZRU : Are not some of the Indian officers believed to be experts in regard to valuation work ?

THE HON. MR. A. D. F. DUNDAS : Sir, all of them who are believed to be experts are being lent to the Lands, Hirings and Disposals Service.

THE HON. PANDIT HIRDAY NATH KUNZRU : I am referring to the Lands Branch, and not to the Lands, Hirings and Disposals Service.

THE HON. MR. A. D. F. DUNDAS : I regret I do not follow the question.

THE HON. PANDIT HIRDAY NATH KUNZRU : I asked whether it was a fact that some of the officers in the Lands Branch of the Cantonments Department were regarded as experts in valuation work.

THE HON. MR. A. D. F. DUNDAS : No, Sir ; they are not.

THE HON. PANDIT HIRDAY NATH KUNZRU : Is the Hon. Member aware that some of them have been entrusted with very responsible work in this connection in the past, and are recognised as having a great deal of valuable experience in this work ?

THE HON. MR. A. D. F. DUNDAS : Their qualifications are judged by the way the officers carry out the duties entrusted to them, rather than by the entrustment of duties.

THE HON. PANDIT HIRDAY NATH KUNZRU : Yes, Sir, is he aware that they have been very favourably reported upon in regard to the performance of the duties entrusted to them ?

THE HON. MR. A. D. F. DUNDAS : I am not aware of that.

THE HON. PANDIT HIRDAY NATH KUNZRU : Will the Hon. Member take the trouble of informing himself on the subject ?

POST-WAR PAY COMMITTEE

287. THE HON. PANDIT HIRDAY NATH KUNZRU: What is the personnel of the Committee appointed by Government to consider the pay and allowances and other terms of service of India's post-war armed forces? Is it entirely British? If so, do Government propose to appoint an Indian officer from each of the three Services to it?

THE HON. MR. A. D. F. DUNDAS: The Chairman of the Post-war Pay Committee is Mr. Irwin, an officer of the War Department. The members are Major-General Dalison of General Headquarters, Mr. Dayal of Military Finance Department, Commodore Jefford of Naval Headquarters and Air Commodore Gandy of Air Headquarters. The two latter are ex-officio members.

With reference to the last part of the question I should explain that each of the three Services, representatives has one or more specially selected Indian officers from his own Service Headquarters to advise him.

THE HON. PANDIT HIRDAY NATH KUNZRU: Does the Hon. Member say that there is not one Indian service officer on the Committee?

THE HON. MR. A. D. F. DUNDAS: There is at least one Indian adviser to each service member of the Committee.

THE HON. PANDIT HIRDAY NATH KUNZRU: But why are there no Indian members?

THE HON. MR. A. D. F. DUNDAS: Mr. Dayal is an Indian.

THE HON. PANDIT HIRDAY NATH KUNZRU: Mr. Dayal is only a Financial Service man. We are speaking of the service officers.

THE HON. MR. A. D. F. DUNDAS: Because there are none available with sufficient detailed knowledge of pay and the problems involved in it.

THE HON. PANDIT HIRDAY NATH KUNZRU: Do Government contend that none of the Indian officers in the three Services could give suitable advice in regard to the important matter of pay and allowances which this Committee is considering?

THE HON. MR. A. D. F. DUNDAS: No, Sir. Government does not contend that, and it is for this very reason that it has appointed them as advisers to their own service representatives on the Committee.

THE HON. PANDIT HIRDAY NATH KUNZRU: Why have not Government appointed Indian officers as members, and will they take steps to rectify the omission now?

THE HON. MR. A. D. F. DUNDAS: I have answered the question already.

THE HON. PANDIT HIRDAY NATH KUNZRU: What does the Hon. Member say with regard to the latter question? Will Government take steps now to appoint Indian officers of the three Services as members, and not as advisers to the members?

THE HON. MR. A. D. F. DUNDAS: That is not Government's intention.

THE HON. PANDIT HIRDAY NATH KUNZRU: Why?

THE HON. MR. A. D. F. DUNDAS: I have already explained why.

THE HON. PANDIT HIRDAY NATH KUNZRU: There is no explanation given except that the Government does not want to do it.

DISCARDING OF HINDI WORDS IN FAVOUR OF ARABIC AND URDU WORDS

288. THE HON. RAJA YUVERAJ DUTTA SINGH: Will Government place on the table a copy of a circular letter of the Director General of A. I. R. to all Station Directors to discard the use of many Hindi words in favour of Arabic and Urdu words (memorandum PZ. 1/43 from the Controller of Broadcasting to S. D., All India Radio, Delhi, Lahore, Lucknow, Peshawar, and Calcutta); and also state the reasons for issuing the said circular?

THE HON. MR. G. S. BOZMAN : A copy of the circular is placed on the table of the House. I might, however, point out that this was issued on the 1st October, 1943, and does not represent the latest position taken up by the Government of India with regard to the Hindi-Urdu question. The Hon. Member's attention is drawn to the Press Note issued by the Department of Information and Broadcasting on the 5th February 1946, of which a copy is placed on the table of the House.

THE HON. MR. P. N. SAPRU : May we take it that before 1943—you said something about 1943—the position was somewhat different in the sense that the Director General, All-India Radio, had issued instructions to Station Directors to discard the use of many Hindi words in favour of Arabic and Persian words ?

THE HON. MR. G. S. BOZMAN : No, Sir. There is no reason to infer that from what I said.

THE HON. MR. P. N. SAPRU : I think the Hon. Member did say that this is not the position now and that it might have been the position before 1943.

THE HON. MR. G. S. BOZMAN : No, Sir. I think the Hon. Member did not hear me aright. I said that a circular was issued on the 1st October, 1943.

THE HON. MR. P. N. SAPRU : Did the circular contain any directions to the effect that Hindi words should be discarded in favour of Arabic and Persian words in many cases ?

THE HON. MR. G. S. BOZMAN : I have placed a copy of the circular on the table of the House. Unfortunately I cannot read the words in it.

THE HON. PANDIT HIRDAY NATH KUNZRU : Is it worded in Arabic or Persian ?

THE HON. MR. G. S. BOZMAN : No, Sir. It is in English.

Note on the use of some words used in AIR Hindustani News Bulletins sent to SDs. and DN (NO. PZ-43, dated 1st October 1943)

These were discussed with H.M. yesterday and it was decided as follows :—

(*i*) For North, South, East, West, continue to use *pachcham, purab, dakhkan, uttar.*

(*ii*) For "Isthmus" and "Strait" use *abnai, khaknai.* Discontinue *jalghati, talghati.*

(*iii*) For "gulf", "bay", use the double combination *khalij* or *khari.*

(*iv*) For 'island' use *tapu.*

For 'archipelago' use the plural of *tapu* and discontinue *majma'ul-Jazair.*

(*v*) For the names of seas and oceans use the English equivalents. Thus "Indian Ocean" should be translated as "Indian Ocean," "Red Sea" as "Red Sea" etc.

(*vi*) For "anti-aircraft gun", continue to use *hawamar top.*

(*vii*) For "bomber" use *bam-bar* and not *bam-mar.*

(*viii*) Use *istiqbal* but discontinue *swayat.*

(*ix*) For 'chairman' and 'president', use the English Words. Discontinue *pradhan, sadr.*

(*x*) Continue to use *bara wazir* for Prime Minister, Chief Minister, etc.

(*xi*) For "Democracy", "Democratic Government", use *jamhuriyat, jamhuri hukumat.*

(*xii*) It is alleged that the word *gyan* has been used where *'ilm* would have been quite suitable. The word *'ilm* should not be discarded in favour of *gyan.*

(*xiii*) For 'student', use *talib-i-ilm.* Discontinue *vidyarthi.*

(*xiv*) For patriot, *desh bhagt* may be used if the person referred to is a Hindu ; otherwise use *muhibb-i-watan.*

(*xv*) For "Axis", use the English word or the word *dushman* where the context would admit its use without ambiguity. Discontinue *mehwar, mehwari.*

(*xvi*) For "Allies", use the English word or *ittihadi.* Discontinue *sathi.*

(*xvii*) For "Foreign Minister", use the English phrase. Discontinue the Hindustani equivalents which have been in use so far.

(*xviii*) Use *vidya mandir* only when the institutions specifically called by this name are meant. Do not use this to refer to any school.

(*xix*) Continue to use *rajdhani.* But the the word *darul-khilafa* is not banned.

(*xx*) Continue to use *adda addon* in phrases like *hawai addon.*

(*xxi*) Use either *morcha* or front whichever is more useful in any given context.

(*xxii*) Use the double combination *iqtisadi ya arthik* for "economic".

(*xxiii*) Discontinue *krodh, or* (Direction and *asha.*)

(*xxiv*) Use *daihant, swargbash,* etc., for Hindus only. For others use *intiqal wafat.,* etc.

PRESS NOTE

EXPERTS TO ADVISE ON A.I.R. LEXICON STANDING COMMITTEE ON HINDUSTANI

Auxiliary Studio to be installed in Allahabad

At the invitation of the Hon. Sir Akbar Hydari, Member for Information and Broadcasting a Committee consisting of the Hon. Rai Bahadur Sri Narain Mahtha, Member, Council of State, Nawab Siddique Ali Khan, M.L.A. (Central), Dr. Zakir Hussain and Dr. Tarachand, met on January 26, 1946 to advise the Government of India on the following questions :—

(*i*) Should the Hindustani news of A.I.R. continue to be broadcast in a common language or should it be broadcast separately in Hindi and Urdu ?

(*ii*) If in a common language, what steps should be taken for the selection of vocabulary which should be satisfactory and generally acceptable ?

(*iii*) What programme composition would achieve a fair representation of Hindi and of Urdu in spoken-word items other than news ?

All the previous discussions on the Hindi- Urdu question which had taken place under official auspices, including the debates in the Legislature, were placed before the Committee and the difficulties that had arisen on account of the rival demands of the various sections of the people regarding the Hindustani news bulletins and the composition of the Hindustani programmes of A. I. R. were brought to their notice.

2. So far as the language of the Hindustani news bulletins is concerned, it was pointed out to the Committee that during the last ten years or so the linguistic style of the Hindustani news bulletins had been fluctuating either from purely practical considerations or in response to the varying demands of the public. The language of these bulletins was, therefore, to be regarded as an experiment which had been in progress for some years, and the question for consideration now was whether this experiment should be continued and, if so, on what lines. In this connection All India Radio had compiled a Lexicon of about 8,000 English words commonly used in news, together with their Hindi & Urdu equivalents and is suggestions for simple Hindustani synonyms, with the intention of circulating it to experts in the country for their comments on the simple synonyms suggested. The Lexicon was placed on the table.

3. After a full discussion, the Committee unanimously came to the conclusion that the use of Hindustani as the common language for news bulletins though not free from difficulties should not be given up without a further attempt at arriving at a generally acceptable vocabulary. For this purpose the Committee recommended that a Standing Advisory Committee should be set up to advise the Director General, All-India Radio, on the choice of vocabulary for Hindustani and that the A.I.R. Lexicon, which was a very valuable and constructive compilation, should be circulated to suitable experts in the country for comments which, when received should also be considered by the Standing Advisory Committee suggested above.

4. One member, while agreeing with these recommendations, proposed that of the four Hindustani bulletins broadcast daily, two should be given in Hindustani, one in Urdu and one in Hindi. This was not agreed to by the rest of the Committee as they feared that the existence of an Urdu and Hindi bulletin side by side with bulletins in a common language would tend to defeat the purpose of the latter reducing its channel of success as an experiment and the Urdu and Hindi Bulletins, because of their separatist character, would tend to become literary and would, therefore, be less widely intelligible.

5. For spoken-word programmes other than news, such as talks, plays, poetry recitations etc. the Committee unanimously recommended that items in Hindi and items in Urdu should continue to be broadcast in spoken-word programmes other than news as it was most desirable to help and not to hinder the literary development of the two languages and that the question of fair and adequate representation, as between the two, should be referred to the Standing Advisory Committee mentioned above, as the matter would require detailed examination.

6. As for the composition of the Standing Advisory body, the Committee recommended that it should consist of experts representing the Anjuman-e-Taraqi-e-Urdu, the All India Hindi Sahitya Sammelan and the Hindustani Prachar Sabha, with temporary members to be co-operated by the Director-General, All-India Radio, as and when the questions coming up before the Committee required it.

7. It was also suggested that as an auxiliary to the Lucknow Station of All-India Radio a studio should be installed at Allahabad where spoken-word items could be arranged for inclusion in the programme of the Lucknow Station as it was felt what, pending the installation of more radio stations, this arrangement would enable the Lucknow Station to utilise the talent in the Eastern part of the U.P., more adequately than it could at present, in view of the long distances involved.

8. The Government of India have decided to accept all the recommendations of the Committee. Steps are being taken to set up a Standing Advisory Committee on the lines suggested by the Committee, to circulate the A.I.R. Lexicon to suitable experts in the country for eliciting opinion and to install an auxiliary studio in Allahabad as early as possible.

I. & B. Deptt.

New Delhi, February 5, 1946.

ACCOMMODATION PROVIDED FOR INDIAN AIRMEN

289. THE HON. PANDIT HIRDAY NATH KUNZRU: (*a*) Do the type of accommodation provided for Indian airmen and the space allowed per man compare unfavourably with the provision made in respect of these things for British airmen?

(*b*) Are Indian airmen not entitled to electricity or electric fans in their barracks while British airmen are entitled to both these amenities?

(*c*) Why this discrimination against Indians and what action do they propose to take to put an end to it immediately?

THE HON. MR. A. D. F. DUNDAS: (*a*) The area allowed to a British airman is 72 sq. ft. as compared with 54 sq. ft. allowed to an Indian airman. This difference which is of long standing in the army in this country probably originated in the idea that a European being unaccustomed to great extremes of heat needed more cubic air space than an Indian.

(*b*) Yes, Sir, this difference does exist.

(*c*) When the Indian Air Force was started the scales of accommodation, etc. were based more or less on those obtaining in the Indian Army which has been in existence for many years. These scales were undoubtedly inferior to those sanctioned for British troops for many reasons which were probably quite justifiable at the time bearing in mind the differences existing in the general style of living at the time.

Government does not seek to justify discrimination in any form and is doing its best to remove any trace of it. At the same time the accommodation provided by the state for its servants must have a practical relation to the general style of living in the country.

All these matters are now being urgently considered by a highly qualified Committee set up by the Commander-in-Chief for the purpose. This Committee has been instructed to base its recommendations not on a comparison of Indian with British standards, but on what is considered right and proper for the well being of the Indian fighting man whether he is in the Navy, Army or Air Force—the Commander-in-Chief sincerely hopes that as a result we shall see a great improvement in the standard of accommodation and amenities generally for our sailors, soldiers and airmen and he himself would be the first to admit that there is much to be done in this respect.

THE HON. PANDIT HIRDAY NATH KUNZRU: Will the Hon. Member inform us of the names of the members of the Committee to which he referred?

THE HON. MR. A. D. F. DUNDAS: I regret, Sir, that I have not brought the details with me.

THE HON. PANDIT HIRDAY NATH KUNZRU: Are there Indian officers on this Committee?

THE HON. MR. A. D. F. DUNDAS: I regret, Sir, I do not even remember that.

JAIN TEMPLE IN R.A. BAZAR, LAHORE CANTT.

290. FLT. LIEUT. THE HON. RUP CHAND: Will Government state:

(*a*) Whether it is a fact that the Lahore Cantonment Board in its meeting held on January 31, 1946, on the motion of Capt. Mohd. Ashraf, Military Estates Officer, Lahore Cantt., upset the unanimous decision of the Bazar Committee and has refused to sanction expenditure for the construction of steps of the Jain Temple in R. A. Bazar?

(*b*) Whether it is a fact that all the elected members present in the Board Meeting referred to above, voted against the motion of Capt. Mohd. Ashraf?

(*c*) Whether Government propose to take any action in order to respect the wishes of elected representatives of the people on the Board in such matters?

THE HON. MR. A. D. F. DUNDAS : (*a*) and (*b*). Yes, Sir, because steps for the Jain Temple were to be constructed on vacant Government land and it would have been irregular to permit its use without a lease. If an application is made for a lease, it will be granted.

(*c*) In view of the explanation above, this part does not arise.

REVOLT IN THE NINETH GURKHA RIFLES REGIMENTAL CENTRE.

291. THE HON. RAJA YUVERAJ DUTTA SINGH : Will Government state whether it is a fact that about 300 Gurkha troops of the 2/9th Gurkha Rifles stationed in Dehra Dun were transferred to Wana (Baluchistan), about the 15th March, in order to prevent the spreading of the "silent revolt" which broke out about that time at the 9th Gurkha Rifles Regimental Centre ? If so, will Government make a full statement about the "revolt", its causes, and the steps taken in that connection ?

THE HON. MR. A. D. F. DUNDAS : No, Sir. None of the troops of the 2nd Battalion were involved, and no troops of this Regt. have been sent to Wana. The trouble at Dehra Dun arose because it was reported that men who were proceeding to their homes on release from the army were taking with them articles of kit to which they were not entitled. The Commanding Officer therefore ordered a kit inspection, and it was proved that the report was correct and that a number of men had concealed certain articles which they should not have had. In the course of this inspection all officers, British and Gurkha, left the lines to attend a conference, and on their return when the check of kit began again, some members of the 4th and 5th Battalions became excited and eventually used force against their officers.

The total number of men involved was between 100 and 200, of whom 26 were the leaders were separated from the rest. A Court of Enquiry has been held and the proceedings are now being examined in G.H.Q. The only grievances alleged by the men appear to be :—

(*i*) Discontent at the scale of clothing permitted to be taken on release.

(*ii*) The fact that their release train had been postponed for two days.

(*iii*) The kit inspection.

The situation is now normal. Those against whom disciplinary action is not contemplated will proceed on release as soon as possible.

KOSI RIVER DAM

292. THE HON. MR. SURPUT SING : Will Government state :

(*a*) Whether any project was ever sent to the Central Government by the Bihar Government in order to dam the Kosi river ; if so, when, and what happened to that project ?

(*b*) Whether any project for the cultivation of alluvial lands in Supaul sub-division of Bhagalpur district has ever been sent to the Central Government by Bihar Government, if so, with what result ?

THE HON. MR. S. LALL : (*a*) (*i*) No, though the Bihar Government included in their 5 year plan a scheme for marginal embankments on the Kosi.

(*ii*) The question does not arise.

(*b*) No.

HOUSES AND BUILDINGS VACATED BY AMERICANS

293. THE HON. MR. SURPUT SING : Will Government state :

(*a*) What proposals there are to dispose of the houses and buildings which will be set free on their being vacated by the American personnel in Delhi and New Delhi ?

(*b*) Whether there is any proposal to sell them to private individuals, if so, whether for demolition or occupation ?

THE HON. MR. S. LALL: (*a*) At present no final decision has been taken on surrender by the American forces. All the buildings are likely to be required for Government use in the immediate future.

(*b*) There is no such proposal approved at present.

RESERVATION OF BERTHS ON THE B., B. & C. I. RAILWAY

294. THE HON. MR. SURPUT SING: Will Government state:

(*a*) Whether it is a fact that only sitting accommodation is reserved in II class in B. B. & C. I. Railway metre gauge?

(*b*) Whether it is a fact that no reservation is made of the upper berths in II class?

(*c*) Whether upper berths are available for entire sleeping accommodation?

(*d*) Whether berths are reserved in first class for sleeping accommodation as well?

(*e*) If so, the reasons for the distinction?

THE HON. SIR MAHOMED USMAN: (*a*) No. The system of permitting reservation of seating accommodation only in second class is inforce in respect of particular trains only.

(*b*) Yes, in those particular trains.

(*c*) This is generally the case and; I understand, it is usual for those who arrive first to occupy the upper berths.

(*d*) Yes.

(*e*) Conditions permit of the reservation of sleeping accommodation for first class passengers while this is not so at present in the case of second class passengers on certain trains in view of the heavy demand for accommodation. Reservation of berths in second class on trains, where this was discontinued, will be reintroduced as soon as conditions permit.

The Hon Mr. P. N. SAPRU: Is it not a fact that in other railways second class berths are reserved?

THE HON. SIR MAHOMED USMAN: I must ask for notice of the question.

THE HON. MR. P. N. SAPRU: Why is there a difference in this matter in the case of the B., B. & C. I.?

THE HON. SIR MAHOMED USMAN: I shall have that point investigated.

RECRUITMENT OF LABOUR FOR BURMA

295. THE HON. PANDIT H. N. KUNZRU: (*a*) When were the SEAC and the Civil Affairs Service, Burma, permitted by the Government of India to recruit labour in India for work in Burma and on what terms? What was the number of labourers which they were allowed to recruit and how many were recruited by each of these authorities?

(*b*) Do Government propose as part of the scheme for the repatriation of Indian evacuees to Burma, agreed to between them and the Government of Burma, to provide facilities for the return of evacuees belonging to the labouring classes? If so, to what extent?

(*c*) Are Government aware that an overwhelming majority of the Indians who want to return to India consists of labourers? Is it a fact that they want to come back because of the great insecurity of life and property prevailing in Burma, particularly in the rural areas, and the very considerable rise that has taken place in the cost of living? If so, do Government before permitting the return of the Indian labourers to Burma propose to satisfy themselves that there will be no danger to the lives and property of the labourers in Burma and to insist that the Government of Burma should enter into an agreement with them regarding the wages of the labourers, and their rations and general conditions of living?

THE HON. DR. N. B. KHARE : (*a*) In 1944 Government of India agreed to the recruitment of :—

(1) 1,61,000 labourers by SEAC in the form of pioneer units for military works in Burma on condition that such labour would be repatriated in India on the termination of their periods of contracts. Other conditions included free rations, free medical treatment, free accommodation, etc. besides certain minimum wages and expatriation allowance. It is understood that no civilian labour unit was actually taken into Burma by the SEAC under this permission ; and

(2) 16,000 skilled and semi-skilled labourers by Civil Affairs Service (Burma) for civil works during military administration were recruited. One of the terms of recruitment of this labour was that the labourers would have the option to settle down, and acquire rights of citizenship in Burma. Information so far received account for 7,902 labourers under this contract.

(*b*) Under the repatriation scheme the evacuee labourers will be treated in the same way as other evacuees.

(*c*) Government have no reliable information regarding the proportion of labourers among the Indians who are now anxious to return to India from Burma, nor about the reasons which impel them to do so. They understand that their anxiety to return is due mainly to their long absence from India in difficult conditions during the Japanese regime. The question of providing security for the lives and property of Indian labourers returning to Burma has been taken up with the Government of Burma. The terms and conditions which the Government of Burma should be asked to ensure for Indian labourers in Burma are also under consideration.

THE HON. MR. M. THIRUMALA ROW : With regard to (*a*), is there any truth in the published report that a large number of labourers are being taken to Burma for doing scavenging work ?

THE HON. DR. N. B. KHARE : I am not aware of it.

THE HON. MR. M. THIRUMALA ROW : Will Government make inquiries and find out whether it is a fact ?

THE HON. DR. N. B. KHARE : Certainly.

THE HON. MR. M. THIRUMALA ROW : And see that it is stopped ?

THE HON. DR. N. B. KHARE : Certainly.

THE HON. PANDIT HIRDAY NATH KUNZRU : Are the terms of service of the labour recruited by the Civil Affairs Service, Burma, the same as those agreed to by SEAC ?

THE HON. DR. N. B. KHARE : I believe they are the same.

THE HON. PANDIT HIRDAY NATH KUNZRU : If the Hon. Member is not sure of his facts, would he mind looking into them ?

THE HON. DR. N. B. KHARE : I will find out.

THE HON. PANDIT HIRDAY NATH KUNZRU : Have the Government been informed that there is insecurity of life and property in Burma, particularly so far as the Indians living upcountry are concerned ?

THE HON. DR. N. B. KHARE : As I have said , I have no reliable information. We have got some reports, bu t no reliable information.

THE HON. PANDIT HIRDAY NATH KUNZRU : Have they received no information on this subject from their own officers in Burma ?

THE HON. DR. N. B. KHARE : They have.

THE HON. PANDIT HIRDAY NATH KUNZRU : What is that information ?

THE HON. DR. N. B. KHARE : We have taken it up with the Government of Burma, as I have answered.

THE HON. PANDIT HIRDAY NATH KUNZRU : May we take it that the Government of India are now satisfied that something has to be done to ensure the security of life and prosperty of the Indians there ?

THE HON. DR. N. B. KHARE : Certainly.

THE HON. PANDIT HIRDAY NATH KUNZRU : Will they bear it in mind before allowing Indian workers among the evacuees to go back to Burma ?

THE HON. DR. N. B. KHARE : Positively.

PERMIT SYSTEM IN MALAYA

296. THE HON. PANDIT HIRDAY NATH KUNZRU : (*a*) With reference to the reply given to question No. 199 on the 26th March 1946 will Government state why they did not give any information with regard to the conditions under which an Indian can leave Malaya and confined their reply to Burma ?

(*b*) Is it a fact that any one willing to come to India from Malaya is required to obtain a permit before allowing him to leave Malaya ?

(*c*) Has this arrangement been made at the instance of the Government of India or in agreement or consultation with them ?

(*d*) Are Government aware that the Indian labourers, thousands of whom want to return to India, are required to obtain such permits ? In view of the hardships caused by this arrangement do Government propose to ask the Malaya administration to do away with the restriction ?

THE HON. DR. N. B. KHARE : (*a*) The reply given referred generally both to Burma and Malaya.

(*b*) The repatriates from Malaya have to fill in complete application forms with details and get them approved by Security Department.

(*c*) The Government of India did not issue any specific instructions on this point.

(*d*) Yes, but the obtaining of permits is only a routine administrative matter and it was not considered necessary to ask the Malayan administration to do away with this practice. The Government of India will however have the matter re-examined.

THE HON. MR. P. N. SAPRU : Is it a mere routine matter ? Before you can obtain a permit you have to satisfy that you are a proper person to return to India ?

THE HON. DR. N. B. KHARE : I think it is a routine matter. There is no other motive, except security reasons.

THE HON. MR. P. N. SAPRU : For security reasons ?

THE HON. DR. N. B. KHARE : Yes, of course.

THE HON. MR. P. N. SAPRU : There is complaint in Malaya that there is great strictness in issuing permits.

THE HON. DR. N. B. KHARE : I am not aware of that, Sir. If the Hon. Member can give any specific instances, I will enquire.

THE HON. PANDIT HIRDAY NATH KUNZRU : Will the Hon. Member ask the representative of the Government of India in Malaya to make enquiries ?

THE HON. MR. P. N. SAPRU : Does the representative of the Government of India keep himself in touch with Indian affairs ?

THE HON. DR. N. B. KHARE : I believe he does.

THE HON. MR. P. N. SAPRU : I believe he does not.

THE HON. DR. N. B. KHARE : It is a matter of opinion.

THE HON. PANDIT HIRDAY NATH KUNZRU : Will the Government of India make inquiries on this point from their Agent at Singapore ?

THE HON. DR. N. B. KHARE : I will.

ACTION TAKEN ON QUESTIONS IN THE LEGISLATURE AFTER THEY ARE ANSWERED

297. THE HON. MR. N. K. DAS : Will Government state whether questions asked in this House, come up for any consideration after they are answered or whether the subject matter to which the questions relate is considered to be finally disposed of, because of the answers given ?

THE HON. MR. A. E. PORTER : No action is taken on questions when the information furnished in the answer is complete, but the subject is further examined if the answer contains an undertaking to that effect.

THE HON. MR. N. K. DAS : When certain irregularities or omissions are brought forward during questions, are these followed up by the Government ?

THE HON. MR. A. E. PORTER : Certainly, Sir, if the Member concerned gives an undertaking to that effect.

MODEL ROTATION

298. THE HON. MR. N. K. DAS : (*a*) What is model rotation ?

(*b*) Does model rotation cater for parity for all minorities ? If so, what are those minorities ?

(*c*) In what categories of services and in what Departments of Government is this model rotation followed ?

(*d*) Is it a fact, that all other Departments of Government except the P. & T. Department consider " Model Rotation " as unfair and consequently in filling up vacancies they give preference to the qualifications of the candidates ?

THE HON. MR. A. E. PORTER : (*a*) to (*c*). For Central Superior Services and Subordinate Services under the administrative control of the Government of India (except such as have a special reservation for Anglo-Indians) vacancies to be filled by direct recruitment are reserved as follows :—

25 per cent. for Muslims, 8 1/3 per cent. for Scheduled Caste candidates ; and 8 1/3 per cent. for " other minority communities " (*i.e.*, Anglo-Indians and Domiciled Europeans, Indian Christians, Sikhs and Parsis).

The rules consequently require that in every 12 appointments three shall be reserved for Muslims and one each for Scheduled Castes and members of " Other minority communities ".

Where services are recruited by local areas and not on an all-India basis, figures calculated to result in an over-all reservation of the above percentages of recruitment are fixed with reference to the population ratios in the area and the rules for recruitment adopted by the Provincial Government concerned.

Where recruitment is on an all-India basis, in order to ensure that these reservations are maintained, where the number of vacancies to be filled is not 12 or a multiple of 12, a rotation is adopted under which, within each group of 12 appointments, specified vacancies are reserved for the community entitled to reservation. In the rotation proposed as a model (and in fact adopted by all Departments of Government) the second, fifth and eleventh vacancies in a group of 12 are reserved for Muslims, the sixth for Scheduled Castes and the eighth for " Other minority communities ."

As regards Scheduled Castes reservation, if a qualified candidate is not available for the reserved vacancy allotted to the Scheduled Castes, the vacancy is treated as unreserved and is filled by the best available candidate irrespective of community or caste. In such a case each successive unreserved vacancy subsequently accruing is treated for the purposes of the rule as a vacancy reserved for a Scheduled Castes, candidate until either a Scheduled Castes candidate is appointed or the next succeeding calendar year after the vacancy failed to be filled is terminated.

In the case of " Other minority communities " the procedure is somewhat different and, if a member of these communities is not available for filling a vacancy reserved for them, the appointment goes to a Muslim candidate, if a qualified Muslim candidate is available, and otherwise to the best qualified candidate.

(*d*) No. The procedure which I have outlined is followed in all Departments of Government in appointments to services for which there is no other special provision for reservations for Anglo-Indians.

THE HON. MR. N. K. DAS : In filling up these reserved vacancies, are the same qualifications as those of others taken into consideration or a lower qualification is always taken into consideration ?

THE HON. MR. A. E. PORTER : The qualifications, Sir, I think are the same.

THE HON. MR. M. THIRUMALA ROW : With regard to the term " Domiciled Europeans and Anglo-Indians " have Government got any definition ? If so, will the Member please read it out ?

THE HON. MR. A. E. PORTER : Yes, Sir, there must be a definition ; but I cannot recite it off-hand. I shall have to ask the Hon. Member to give me notice.

INDIANISATION OF THE ORDNANCE SERVICES

299. THE HON. MR. N. K. DAS : Will Government state :

(*a*) What definite steps have been taken to Indianise the Indian Ordnance Service in India?

(*b*) Is it a fact that racial discrimination in the matter of appointments still exists in the Ordnance Factories and qualified Indians are not admitted in the gazetted ranks ?

(*c*) Is it a fact that some Europeans imported from U. K. during war, as temporary hands, have filled permanent vacancies ?

(*d*) Is it a fact that one Mr. Simpson, who was brought from U. K. as Asst. Works Manager on a temporary basis has been retained in the Factory as a permanent A. W. M. in preference to more qualified and experienced Indian officers ?

THE HON. SIR MAHOMED USMAN (on behalf of Industries and Supplies Department) :

(*a*) The question of rapidly Indianising the Indian Ordnance Services is under consideration.

(*b*) No, Sir.

(*c*) No, Sir.

(*d*) Mr. Simpson was selected before the war and was appointed on a normal five years' peace-time agreement with a clause providing for permanent retention on satisfactory completion of the agreemental period. He has been retained permanently.

THE HON. MR. N. K. DAS : I did not follow the last part of the answer. Has he not been retained permanently ?

THE HON. SIR MAHOMED USMAN : I said that Mr. Simpson was selected before the war and was appointed on a normal five years peace-time agreement with a clause providing for permanent retention on satisfactory completion of the agreemental period. He has been retained permanently.

THE HON. PANDIT HIRDAY NATH KUNZRU : Has he been retained, as was stated in the question, in preference to more qualified and experienced Indian officers ?

THE HON. SIR MAHOMED USMAN : I think the Hon. Member should be satisfied when I have said that the question of rapidly Indianising the Indian Ordnance Service is under consideration.

GAZETTED POSTS HELD BY INDIANS IN ORDNANCE FACTORIES

300. THE HON. MR. N. K. DAS : (*a*) What is the number of gazetted posts in the Ordnance Factories and in the office of the Director General, Ordnance Factories in India, both technical and non-technical ? How many of them are held by Indians ?

(*b*) Is it a fact, that all Indian officers (Technical) employed in the Office of the Director General, Ordnance Factories, have been served with notices terminating their services with effect from 1-4-46 ?

THE HON. SIR MAHOMED USMAN (on behalf of Industries and Supplies Department.) : (*a*) The number of gazetted posts in Ordnance Factories and in the Office of the Director General, Ordnance Factories, has been fixed provisionally at 142. Of these, 29 are held by Indians ; 25 in the Factories and 4 in Director General's Office. There are 98 gazetted officers in the Clothing and Harness and Saddlery Factories, of whom 63 are Indians.

(*b*) No, Sir.

EXAMINATION OF AUDIT NOTES BY THE PUBLIC ACCOUNTS COMMITTEE

301 THE HON. PANDIT. HIRDAY NATH KUNZRU : Will Government state whether an agreement was arrived at between Sir James Grigg and Sir Ernest Burdon when the former was Finance Member and the latter Auditor General, regarding the form in which audit notes to be examined by the Public Accounts Committee of the Indian Legislative Assembly should be drawn up ? If so, will Government place a copy of the agreement on the table ?

THE HON. MR. V. NARAHARI RAO : (*i*) Yes, Sir.

(*ii*) Government do not consider that it would be suitable to lay this informal agreement on the table. It has been made available to Public Accounts Committees in the past and Government would be glad to invite the Auditor General again to explain its scope and functions to the next Public Accounts Committee when it assembles.¶

THE HON. PANDIT HIRDAY NATH KUNZRU : Did the Hon. Member say that these instructions had been placed before any previous Public Accounts Committee ?

THE HON. MR. V. NARAHARI RAO : They are not instructions, Sir. The document referred to by the Hon. Member is only an informal instrument intended to regulate the procedure in practice in the domestic working arrangements between the Finance Department and the Auditor General. Its scope and functions were in the past explained by the Auditor General to the Public Accounts Committee and the Government would be glad to invite the Auditor General to do so again if the House so desires.

THE H N. PANDIT HIRDAY NATH KUNZRU : What are the exact matters vered by it ?

THE HON. MR. V. NARAHARI RAO : Well, Sir, it is rather difficult at times to demarcate the functions of Audit from those of the Finance Department. The instrument is purely a domestic arrangement between the Finance Department and the Auditor General in order to safeguard public interests.

THE HON. PANDIT HIRDAY NATH KUNZRU : Does this domestic arrangement involve very subdued criticism by audit officers of the irregularities discovered by them in the course of their inspections ?

THE HON. MR. V. NARAHARI RAO : The agreement does in no way affect the independence or infringe the functions of the audit officers.

THE HON. PANDIT HIRDAY NATH KUNZRU : If the agreement does not relate to the functions of the audit officers, what does it relate to ? How does it concern the Auditor General ?

THE HON. MR. V. NARAHARI RAO : Well, in the matter of finance and audit there is a certain amount of overlap. It is very difficult to draw any hard and fast demarcation between them and some understanding is necessary. But I suggest that this matter is not appropriate for discussion here. As I have already said, the matter will be explained by the Auditor General at the next meeting of the Public Accounts Committee, which is a much more suitable place.

SHORT NOTICE QUESTION AND ANSWER

POSITION OF INDIANS IN HONGKONG, ETC.

302. THE HON. PANDIT HIRDAY NATH KUNZRU : (*a*) What arrangements have Government made to obtain information about the position of Indians in the present circumstances in Hongkong and in countries other than Burma and Malaya in South East Asia ?

(*b*) If they have made no arrangements for this purpose yet, will they ask their Representative at Singapore by agreement with the Governments concerned to visit these territories when he considers it necessary ?

THE HON. SIR MAHOMED USMAN : (*a*) As the Hon. Member is no doubt aware, Mr. M. S. Aney, the Government of India's Representative in Ceylon, has

visited Siam and Indo-China to investigate the condition of Indians there. Mr. Menon, the Indian Agent-General in Chungking, visited Shanghai in October last and has recently visited Hong Kong for the same purpose. As for the Netherlands East Indies the Government of India have had general reports from His Majesty's Consul-General at Batavia as well as reports on individual enquiries from the military authorities on the spot.

(*b*) The only territories out of those to which the question relates which have not been visited by a representative of the Government of India are the Islands of the Netherlands East Indies. The Government of India are considering the desirability of deputing an officer to visit the Islands.

THE HON. PANDIT HIRDAY NATH KUNZRU: Do Government realise that they have no means of obtaining information regularly with regard to the Indians in the countries referred to in my question?

THE HON. SIR MAHOMED USMAN: I shall have the question considered Sir.

NOTICE OF MOTION FOR ADJOURNMENT

THE HON. THE PRESIDENT: Hon. Members, I have received notice of an Adjournment Motion from the Hon. Mr. Thirumala Row. I will read the Motion :—

"I hereby give notice to move an adjournment of the House to discuss a matter of urgent public importance of recent occurrence, namely, 'the appointment as Acting Finance Secretary to the Government of India of Sir Hugh Hood who is a retired and superannuated Madras civilian in supersession of Indians of capacity available in the Finance Department'."

How does the Hon. Member justify that Adjournment Motion?

THE HON. MR. M. THIRUMALA ROW (Madras: Non-Muhammadan): Sir, I want to justify it on principle as well as on public policy. The principle is that a retired gentleman, who retired two years ago and has already done one year's special service in Bengal, should not be brought to this place in supersession of members of the Service who are already in the Department and, again, that a European should not be brought in supersession of Indians who have proved their competence in the Finance Department.

THE HON. THE PRESIDENT: I am afraid you have not understood me. How do you legally justify this Motion? I want to tell you that the appointments of Secretaries to the Government of India are made by the Governor General himself and not the Governor General in Council. How do you justify a Motion of Adjournment? It is a Motion of Cnsure on the Governor General?

THE HON. MR. M. THIRUMALA ROW: I take it, Sir, that this is a ensure Motion on the Government of India. The appointment, I gather from Press report was made by the Finance Member—and he has accepted the proposition—and the Finance Member being a part of the Government of India is subject to criticism of this House, and, therefore, I say, Sir, that he had no business to bring out a retired superannuated civilian from a far-off province to fill the post in supersession of Indians of proved ability.

THE HON. THE PRESIDENT: Who had no business? Do you think the Governor General has no business to make these appointments?

THE HON. MR. M. THIRUMALA ROW: The Finance Member had no business to bring in a retired officer. The Finance Member said in the other House that it was part of his duty to—

THE HON. THE PRESIDENT: I do not care what the Hon. the Finance Member has said in the other House. I would ask you to explain to me whom you blame for making the appointment?

THE HON. MR. M. THIRUMALA ROW: I want to blame the Government of India.

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern: Non-Muhammadan): I am sure, Sir, you are aware that a question relating to this subject was answered in the other House.

THE HON. THE PRESIDENT: It was not answered on an Adjournment Motion. It was answered in the course of discussion. The Hon. Member is entitled to put a short notice question on the subject. I have no objection. But there is no justification for an Adjournment Motion.

THE HON. PANDIT HIRDAY NATH KUNZRU: Can we ask questions regarding the actions of the Governor General?

THE HON. THE PRESIDENT: If you like, you can ask. It is for the Government to reply.

THE HON. MR. P. N. SAPRU (United Provinces Southern: Non-Muhammadan): May I suggest, Sir, that it is a Censure Motion on the Finance Member of the Government of India, as part of the Government of India, for recommending what Mr. Thirumala Row considers as an unsuitable person for the Finance Secretaryship of the Government of India. The censure is on the Finance Member who made a recommendation to the Governor General. The Governor General is not supposed to know everybody and therefore there is no reason for censuring him. It is a Censure Motion on the Finance Member of the Government of India.

THE HON. THE PRESIDENT: The Governor General is entitled to consult anybody he likes.

THE HON. MR. M. THIRUMALA ROW: The Finance Member has owned that it is his appointment. From that point of view, I have brought this Adjournment Motion.

One more submission as regards the matter of policy. This gentleman, who was an Adviser in the Madras Government, is a reactionary gentleman who is opposed to Indian aspirations.

THE HON. THE PRESIDENT: We have nothing to do with his views.

THE HON. MR. M. THIRUMALA ROW: In view of the Cabinet Mission that is here ostensibly to transfer power to Indians, this is not the occasion when the Government of India can flout public opinion like this. And I can say for the information of this House that Sir Hugh Hood was responsible for hastening the death of our revered leader Mr. Satyamurti, whom he kept in Amraoti in spite of repeated requests to transfer him to his own province. His appointment cannot be welcomed by any section of the House.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY (West Begal: Non-Muhammadan): He was a member of the Committee which submitted a "black report."?

THE HON. MR. M. THIRUMALA ROW: I take the strongest objection to bringing him here in this appointment. Because of the fact that this is the fag end of the session, I had no opportunity of raising the matter by way of Resolution; so I have brought up the matter in the only way in which I can bring it to the notice of the public and the Government. I am entitled to move this Adjournment Motion, and I request you to admit it.

THE HON. THE PRESIDENT: Let me hear what the Hon. the Leader of the House has got to say.

THE HON. SIR MAHOMED USMAN (Leader of the House): Sir, all that I wish to point out is that this is an appointment which is in the patronage list of the Governor General.

THE HON. THE PRESIDENT: That question has been decided by a series of rulings, both in this House and in the other Chamber, of which the House may not be aware. The point in this case is: Who made the appointment? Appointments of Secretaries to the Government of India are made by the Governor General.....

THE HON. MR. M. THIRUMALA ROW: May I know the rule?

THE HON. THE PRESIDENT: Will the Hon. Member resume his seat? He should not interrupt while the President is speaking. He should hear me fully before he makes his remarks.

[Mr. President.]

The appointment is made by the Governor General. He may consult the Finance Member, or he may not consult him. That is not our lookout. Merely because he consults the Finance Department or the Finance Member, it does not make this an act of the Finance Member, or a part of the act of the Finance Member, as contended by the Hon. Mr. Sapru. There are several rulings on the point, but I will only draw the attention of the House to the ruling given by a great Parliamentarian who was the first President of the Assembly. On the 17th March, 1925, at pages 2495—98 of the Debates, he held :—

"The Governor General in the discharge of any of the functions or in the exercise of any of his powers as Governor General and not as Governor General in Council cannot be brought into debate in the House."

This ruling has been followed in subsequent rulings by my predecessors and by myself in this House, and it has been followed also in the other House. The question is no longer in any doubt. It has been fully considered and decided, and I therefore hold that the Hon. Member cannot move a Motion of that kind.

THE HON. MR. P. N. SAPRU : If the Motion is amended in this way, namely, that "This Council do adjourn to consider a matter of urgent public importance, namely, the failure of the Finance Member of the Government of India to recommend to the Governor General an Indian for the post of Principal Finance Secretary", that would be in order.

THE HON. THE PRESIDENT : That is not the Motion before me now. Apart from that—it is merely a technical point—I have already given my ruling.

THE HON. MR. P. N. SAPRU : With your permission, the Motion can be amended on the lines I have suggested.

THE HON. THE PRESIDENT : A Motion for Adjournment has to be submitted before 11 o'clock in the morning.

THE HON. MR. M. THIRUMALA ROW ; May I know, on a point of information, under what rules the Governor General appoints his Secretaries ? You have not answered my question. You have taken for granted that it is the Governor General who makes the appointment. I want to be enlightened on the point as to the rule under which the Governor General makes this appointment ?

THE HON. THE PRESIDENT . I have quoted authority to show only that when the Governor General acts in his personal capacity, there cannot be an Adjournment Motion in respect of it.

THE HON. MR. M. THIRUMALA ROW : Has the Governor General acted in his personal capacity in this instance? I want the rule under which he has so acted. In the other House, the Finance Member owned to having made the appointment : he said it was his own appointment.

THE HON. PANDIT HIRDAY NATH KUNZRU: Is it a fact that Secretaries are appointed by the Governor General in consultation with the Head of the Department concerned ?

THE HON. THE PRESIDENT : I do not know.

THE HON. MR. P. N. SAPRU : If you do not know, how can you say that it is the Governor General who made the appointment ?

THE HON. THE PRESIDENT : The notifications bear the wording that His Excellency the Governor General has appointed such and such a man. The wording is not "His Excellency the Governor General in Council", but "His Excellency the Governor General". It is understood that all high appointments are made by the Governor General.

THE HON. MR. P. N. SAPRU : Where the appointment made is one which is in his discretion, then it is the "Governor General."

THE HON. SIR N. GOPALASWAMI AYYANGAR (Madras : Non-Muhammadan): The matter can be cleared up if the House will be informed by the Government in this House whether the appointment of Principal Finance Secretary is notified in that portion of the Gazette which contains notifications from the Governor

General's Secretariat, or whether it is notified, for example, in the portion which relates to the Home Secretariat. That will make all the difference.

THE HON. THE PRESIDENT: Who is in charge in this connection ?

THE HON. SIR MAHOMED USMAN: It is in the patronage list of the Governor General. All appointments of Secretaries to the Government of India are in the patronage list of the Governor General.

THE HON. SIR N. GOPALASWAMI AYYANGAR: There is a point in the question, because if it is notified by the Governor General's Secretariat, then we can assume that it is an appointment made by the Governor General; but if it is notified by any other Secretariat, I think it ought to be taken to be an appointment by the Governor General in Council.

THE HON. PANDIT HIRDAY NATH KUNZRU: After all, even if the wording is "Governor General", it may mean the Governor General in Council, and the appointment may be made by the Governor General in Council. But if the Home Secretary says authoritatively that it is made by the Governor General, then it must be the Governor General.

THE HON. THE PRESIDENT: Can the Hon. the Home Secretary give the House the information desired ?

THE HON. MR. A. E. PORTER (Home Secretary): I will certainly give it to the House if you so desire, Sir, but I cannot do it off-hand. I shall have to inform myself as to the provisions of the law and of the rules concerned; but I am sure that you have given a correct statement of the facts. But if you so desire, and if the House desires, I will endeavour to obtain chapter and verse as to the position and will communicate it in such manner as you may direct, either to you, or to the House.

THE HON. PANDIT HIRDAY NATH KUNZRU: I take it that there will be another meeting of this House. Will the Home Secretary give us the information we have asked for then ? If so, the Adjournment Motion could be held over till then.

THE HON. THE PRESIDENT: I do not see any reason for holding it over.

THE HON. MR. M. THIRUMALA ROW: I have got a positive statement that the appointment has been made by the Finance Member. How can you assume that it has been made by the Governor General ?

THE HON. THE PRESIDENT: Everybody knows that all these appointments are made by the Governor General. They are in his gift.

THE HON. PANDIT HIRDAY NATH KUNZRU: There are a good many acts which are purported to be done in the name of the Governor General, but for which the Government of India is responsible, and I request you not to make up your mind about this Motion till the Home Secretary has informed us of the correct position.

THE HON. THE PRESIDENT: Even if the action is taken by the Governor-General, and even if he takes the responsibility ?

THE HON. SIR N. GOPALASWAMI AYYANGAR: May we hold this over until the next day, till we get this information ?

THE HON. MR. P. N. SAPRU: We see the point that if the appointment is made by the Governor General, then we cannot discuss the Adjournment Motion. But the whole point here is whether it is the Governor General who makes the appointment. And for that purpose, it is necessary for us to know whether the Gazette notification is over the name of the Secretary of the Department concerned or over the name of the Governor General's Secretary. It would, therefore, be better if you give your considered decision after we have heard the Home Secretary.

THE HON. THE PRESIDENT: Mr. Thirumala Row has brought this Motion It is his duty to show that this appointment was made by the Governor General in Council. He does not say so in his Motion

THE HON. MR. M. THIRUMALA ROW: I am now supported by the argument that the Finance Member has owned that he has made the appointment.

THE HON. THE PRESIDENT: You say that.

THE HON. MR. M. THIRUMALA ROW: He has made that statement on the floor of the other House.

THE HON. MR. P. N. SAPRU : In the face of that statement made by the Finance Member on the floor of the Legislative Assembly, the assumption should be that it was made by the Governor General in Council and therefore this question can be discussed unless there is some statutory provision debarring the discussion of this particular question.

THE HON. KHAN BAHADUR KERAMAT ALI (Assam : Muhammadan) : Sir, the presumption should be that these appointments are made by the Governor General in Council and it is for the Government to show that this appointment was made by the Governor General and not by the Governr General in Council. If the motion is ruled out today and on the 18th April the Home Secretary comes and says that the appointment was made by the Governor General in Council, what will be the position ?

THE HON. THE PRESIDENT : If you want an inquiry to be made, I shall ask the opinion of the House if this question should be postponed till the next day.

THE HON. MR. V. V. KALIKAR (Central Provinces : General) : You should not give a ruling today.

THE HON. THE PRESIDENT : The matter is so clear I have already given my ruling. There are several rulings on the point.

THE HON. MR. V. V. KALIKAR : Unless the House knows whether the appointment was made by the Governor General or by the Governor General in Council you should reserve your ruling. If the Home Secretary tells us that the appointment was made by the Governor General, then of course we will abide by your ruling.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY : We would like to know whether the Government is now contradicting the statement of the Finance Member in the other House.

THE HON. SIR MAHOMED USMAN : We do not know what the Finance Member said in the other House. I cannot vouch for his statement.

THE HON. THE PRESIDENT : What the Finance Member said in the other House does not bind me at all.

THE HON. MR. P. N. SAPRU : The Home Secretary has been good enough to tell us that he will give us the information on the 18th. I would respectfully submit that the proper course for you will be to hold over a decision on this question until the 18th.

THE HON. THE PRESIDENT : I have given my ruling already. Nobody asked me that I should not give a decision on this question today.

THE HON. MR. P. N. SAPRU : That was only a provisional decision.

THE HON. THE PRESIDENT : I am not going to alter my ruling, but I will ask the House to express an opinion.

THE HON. PANDIT HIRDAY NATH KUNZRU : The question is one of procedure and I do not think that the House as a whole, in which the non-officials are in a minority, should be asked where the Government are opposed to us.

THE HON. THE PRESIDENT : That is a point of general argument. I cannot take any notice of it.

THE HON. PANDIT HIRDAY NATH KUNZRU : The decision of this question depends upon a knowledge of the facts and the Home Secretary is going to give us the information that we want on the next day on which the House sits.

THE HON. THE PRESIDENT : You put a short notice question asking the Government to give you that information.

THE HON. PANDIT HIRDAY NATH KUNZRU : We have already asked for this information without any question being put on the subject.

THE HON. THE PRESIDENT : You want to move an Adjournment Motion without putting a question. I cannot allow it.

THE HON. MR. M. THIRUMALA ROW : Your ruling is based on a presumption, not on fact or on law.

THE HON. PANDIT HIRDAY NATH KUNZRU : If the Home Secretary says that the position is different, if his information shows that the presumption on which your decision is based is not correct, would you alter your decision ?

THE HON. MR. A. E. PORTER : Sir, may I make the following suggestion ? I am prepared to endeavour to find chapter and verse during the course of today's session. It may be, Sir, that you will give me some opportunity to place them before the House. I do not know whether the rules of the House permit it, but if the rules do allow of an opportunity being given to me during the course of today's meeting to put the facts before you and the House, I shall be very glad to do so. I suggest, Sir, that when these facts have been laid before the House, everything will be cleared up. Your ruling just given can stand and if it transpires that the appointment was made by the Governor General in Council, then I suggest—that you might permit Mr. Thirumala Row or somebody else——

THE HON. THE PRESIDENT : I won't be here on the 18th. The Chairman who succeeds me will have to decide.

THE HON. MR. A. E. PORTER : We can then possibly allow another Adjournment Motion to be tabled in the same form if the facts which I shall lay before the House with your permission show that the appointment was made by the Governor General in Council.

THE HON. THE PRESIDENT : You will bring us the information this afternoon ?

THE HON. MR. A. E. PORTER : I can, Sir.

THE HON. THE PRESIDENT : We shall discuss the matter further. Will you kindly be present immediately after Lunch and give the information ?

THE HON. MR. A. E. PORTER : I will, Sir.

INFORMATION PROMISED IN REPLY TO QUESTIONS LAID ON THE TABLE

THE HON. SIR MAHOMED USMAN (Leader of the House) : Sir, I lay on the table copies of the information promised in reply to question No. 216, asked on the 29th March, 1946.

QUESTION No. 216

Statement showing the number of workmen employed in the Indian Ordnance Factories on daily rates and monthly rates of pay according to wage groups, on 31st December 1944 and 31st December 1945

(The wages mentioned in the statement include dearness allowance in force at the time)

Date	Daily rated workmen																	
	0-12-0 to 1-0-0	1-0-0 to 1-4-0	1-4-0 to 1-8-0	1-8-0 to 1-12-0	1-12-0 to 2-0-0	2-0-0 to 2-4-0	2-4-0 to 2-8-0	2-8-0 to 2-12-0	2-12-0 to 3-0-0	3-0-0 to 3-4-0	3-4-0 to 3-8-0	3-8-0 to 3-12-0	3-12-0 to 4-0-0	4-0-0 to 4-4-0	4-4-0 to 4-8-0	4-8-0 to 4-12-0	4-12-0 to 5-0-0	Total
December, 1944 . . .	27528	8739	9679	7239	4276	2250	1325	854	497	335	228	154	75	49	21	13	13	63,275
December, 1945 . . .	14860	6473	5198	4896	2759	1918	1363	852	530	323	283	148	75	53	24	18	15	39,738

Date	Monthly rated workmen																	
	Rs. 20 to Rs. 25	Rs. 25 to Rs. 30	Rs. 30 to Rs. 35	Rs. 35 to Rs. 40	Rs. 40 to Rs. 45	Rs. 45 to Rs. 50	Rs. 50 to Rs. 55	Rs. 55 to Rs. 60	Rs. 60 to Rs. 65	Rs. 65 to Rs. 70	Rs. 70 to Rs. 75	Rs. 75 to Rs. 80	Rs. 80 to Rs. 85	Rs. 85 to Rs. 90	Rs. 90 to Rs. 95	Rs. 95 to Rs. 100	Rs. 100 to Rs. 105	Rs. 105 to Rs. 110	To
December, 1944 .	41	15	6	616	82	15	4	4	3	63	6	5	6			1			929
December, 1945 . .	51	23	20	103	11	5	3	4	5	15	3	8	6						283

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 12th April 1946, namely :—

A Bill to require employers in Industrial establishments to formally to define conditions of employment under them.

A Bill to provide for the special protection in respect of civil and revenue litigation of serving merchant seamen.

ELECTIONS TO STANDING COMMITTEES

THE HON. THE PRESIDENT: With reference to the announcements made by me on the 29th and 30th March and 8th April, 1946, regarding nominations to certain Committees I have to announce that the following Hon. Members have been nominated for election to the following Committees :—

I. Standing Committee for the Department of Information and Arts :—

1. The Hon. Mr. Hossain Imam
2. The Hon. Rai Bahadur Sri Narain Mahtha

There are 2 candidates for 2 seats and I declare them duly elected.

II. Standing Committee for War Transport Department (other than Roads) :—

1. The Hon. Mr. N. K. Das
2. The Hon. Mr. S. K. Roy Chowdhury
3. The Hon. Mr. Surput Singh
4. The Hon. Haji Syed Muhammad Husain

There are 4 candidates for 4 seats and I declare them duly elected.

III. Standing Committee for Roads :—

1. The Hon. Rai Bahadur S. K. Das
2. The Hon. Mr. J. M. B. Gibbons
3. The Hon. Sardar Sir Buta Singh
4. The Hon. Khan Bahadur Keramat Ali

There are 4 candidates for 4 seats and I declare them duly elected.

IV. Standing Committee for Posts and Air Department :—

1. Flight Lieutenant the Hon. Rup Chand
2. The Hon. Mr. Surput Singh
3. The Hon. Mr. G. S. Motilal

There are 3 candidates for 3 seats and I declare them duly elected.

V. Standing Committee for the Department of Health :—

1. The Hon. Mr. M. Thirumala Row
2. The Hon. Sir G. S. C. Mukherji
3. The Hon. Mr. Surput Singh
4. The Hon. Sir Suleman Cassum Haji Mitha.
5. The Hon. Mr. S. K. Roy Chowdhury

There are 5 candidates for 5 seats and I declare them duly elected.

VI. Standing Committee for External Affairs Department :—

1. The Hon. Mr. G. S. Motilal
2. The Hon. Mr. M. N. Dalal
3. The Hon. Nawab Assadulla Khan
4. The Hon. Mr. Surput Singh
5. The Hon. Mr. P. N. Sapru

There are 5 candidates for 5 seats and I declare them duly elected.

VII. Standing Committee for Commonwealth Relations Department :—

1. The Hon. Syed Mohamed Padshah Sahib Bahadur
2. The Hon. Pandit H. N. Kunzru

There are 2 candidates for 2 seats and I declare them duly elected.

PROTECTIVE DUTIES BILL

THE HON. MR. Y. N. SUKTHANKAR (Commerce Secretary) : Sir, I move :—

"That the Bill to enable the immediate imposition of protective duties of customs on imported goods, as passed by the Legislative Assembly, be taken into consideration."

Sir, I shall try and explain briefly but I hope adequately the grounds on which I am asking for the whole-hearted support of this House to the Bill. It will be within the recollection of the House that it was in November, 1945, that a Tariff Board was appointed. The Board at the moment is engaged upon investigating the cases of some 19 industries for some form of protection or assistance. As you are aware, Sir, the Tariff Board is a strong team, headed by no less a person than Sir Shanmukham Chetty. The Board had addressed itself to its task not only with very considerable technical ability but with vigour and skill and speed. We have already received their report on the claim of one industry, namely, the Calcium Chloride industry. It is understood that 4 or 5 reports on the industries are ready and will be received within a very few days. It will not be out of place to explain the difference in the methods of work of the old Tariff Boards and the present Tariff Board. In old times a Tariff Board took up one industry at a time and went into very great details connected with the industry with the result that on an average a Board took about a year to complete its investigations into the claims for protection of a particular industry. The present Tariff Board, Sir, has taken upon itself to carry on a number of inquiries at the same time and the inquiry is of a summary nature, though it is no less thorough than the inquiry made by the old Tariff Board. It may well happen therefore be that the reports of the Tariff Board reach Government at a time when the Legislature is not sitting or is not due to sit for some time. We are therefore taking executive powers to implement the recommendations made by the Board I must state here that the suggestion to the effect that Government should take executive powers was made in the limitation by the Finance Standing Committee. That suggestion was carefully examined not only by the Commerce Department, but by other Depa tments concerned, such as the Planning and Development Department, Industries and Supplies Department and the Finance Department ; and all these Departments have come to the conclusion that such powers should be taken. It is not necessary for me to elaborate the reasons any further. It is only proper that the industries which were established during war-time should have some sense of security and should have some assurance that their claims to protection or some form of assistance will be dealt with as expeditiously as possible and that they would not suffer grave injury from the rising tide of competition simply because there was a time lag between the receipt of the Report of the Tariff Board and the stage when the recommendation could be implemented in the form of a Bill.

I would also draw the attention of the House to certain features of the Bill. First of all, the Bill shall remain in force only until the 31st day of March 1949. Secondly, executive action will not necessarily depend on the vagaries of individual officers. It will be for the Government of India to form an opinion that it is urgently necessary to provide for the protection of the interests of any industry established in British India. Thirdly, it is incumbent on the Government to bring forward during the Session of the Central Legislature next following the date of the issue of a notification under sub-section (1) of section 2 which gives effect to the recommendations made by the Tariff Board. Perhaps Hon. Members will remember that originally the proposal was that the Bill should be brought forward before the legislature "as soon as may be". I remember some one remarking about a similar expression "as soon as possible" that it is an elastic expression as sometimes the emphasis is on "soon" and at other times on "possible" and far often on "possible" than on "soon". There was of course never any intention on the part of Government to delay action on the Tariff Board recommendation but all doubt is set at rest as such has now to be brought forward during the next Session following the date of the issue

of the notification. Further, such notification shall cease to have effect on the expiry of two months from the date on which the Bill is introduced. In other words, the Bill must be passed within two months of its intimation. I therefore commend the Bill for the wholehearted support of the House. As I said, it has been prepared in the due care and thought and has received the support of all the Departments concerned. Sir, I move.

*THE HON. MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan): Sir, I take it that the object of this Bill is to enquire into the claims of war-time industries to assistance or protection during the transition period. Now, the case for it is that the recommendations of the Tariff Board may be received at a time when the Legislature may not be sitting and therefore it is desirable that Government should have power to implement the recommendations of the Tariff Board without avoidable delay. I quite agree that Government should have that power ; but I have a suggestion to make to the Hon. Mr. Sukthankar. Before actually taking action, perhaps it will be advisable for Government to consult the appropriate Standing Committee of the Legislature concerned with the particular business of legislation they are intending to promote. I do not know exactly what Committees we have got now ; we have got about 22 committees and I think there is a Committee for Industries and it may be desirable to consult that Standing Committee before actual action is taken. That is the suggestion that I have got to make, and with these remarks I support the Bill.

*THE HON. SAIYED MOHAMED PADSHAH SAHIB BAHADUR (Madras : Muhammadan) : Sir, I also give my support to the Bill. It is a fact that during the war a number of new industries have come into existence in our country, and several of them are in the formative stage, nascent industries, and they do require encouragement. It is therefore very necessary that some sort of protection should be given to help those industries to find their feet and prosper. I think it is really a useful measure and called for by the circumstances in which it is brought forward to the House. In supporting the Bill, I endorse the opinion just expressed by my Hon. friend Mr. Sapru that in so far as it may be possible for the Government to consult the Standing Committee concerned, they should take the opinion of the appropriate Committee before coming to a decision about the claims of the industry to such protection.

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 HON. MR. Y. N. SUKTHANKAR : Sir, I move :—

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

In doing so, I am glad to impress my Hon. friend (Mr. Sapru) that due consideration will be given to the suggestion made by him. The intention is to avoid delay. I cannot therefore commit myself to accepting this suggestion but as I have already said I shall be glad to consider its feasibility.

The Motion was adopted.

INDIAN SOLDIERS (LITIGATION) AMENDMENT BILL.

THE HON. MR. A. D. F. DUNDAS (War Secretary) : Sir, I move :

"That the Bill further to amend the Indian Soldiers (Litigation) Act, 1925, as passed by the Legislative Assembly, be taken into consideration."

The reasons for amending this Act are given in the Statement of Objects and Reasons and therefore I shall not explain them any further. Sir, I move.

*THE HON. MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan) : Sir, there is only one question which I would like to ask in connection with this Bill, and it is this. The Bill, I take it, gives the right of pre-emption to a soldier, but I do not understand these words "and which arises from the soldier being a lineal descendant or an agnate of the vendor". What do the words "lineal descendant" mean ? Do they mean his male descendants only ? What does the word

*Not corrected by the Hon. Member.

[Mr. P. N. Sapru]

"agnate" mean ? Is it the intention of Government that so far as female descendants are concerned, they should not have this right of pre-emption at all ? If that is so, then I regret that Government should have pursued in this matter what I would call a reactionary policy. I think the daughters of the soldier and the female descendants of the soldier should have equal right in this matter with the male descendants. I therefore hope—I am not opposing this Bill—that it will be modified to suit this point of view in the next session.

*THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : Sir, I am of the same opinion as that expressed by my Hon. friend Mr. Sapru, but I do not think that the Bill itself requires any modification. The limitation to which Mr. Sapru referred is mentioned only in the Statement of Objects and Reasons. This Bill confers on a soldier the right of pre-emption in respect of agricultural land which he did not enjoy before and this right has been conferred not merely on the man directly concerned but also on his lineal descendants or agnates. Now, a man's heir may be in his son or his son's son or his nephew or his sister's son, but if the daughter's son is excluded I think an injustice will be done. You have to take the heirs as they are and you have to see that all of them are placed on an equal footing. There is no reason for discriminating between heirs.

THE HON. THE PRESIDENT : The pre-emption appears only in the Statement of Objects and Reasons.

THE HON. PANDIT HIRDAY NATH KUNZRU : I hope, therefore, that the Government will not issue such instructions with regard to the working of the Act as to discriminate between different classes of heirs.

THE HON. THE PRESIDENT : May I bring to your attention the fact that it has been held in a number of High Court rulings that the Statements of Objects and Reasons do not affect the context of the Bill ? There are a lot of rulings on this point, so that if you pass the Bill anything stated in the Statement of Objects and Reasons will not affect the interpretation of the Act in any way.

THE HON. MR. P. N. SAPRU : But we do not know what the customary law in the Punjab and other provinces is. A daughter's son may be excluded in one province but not in another. Whatever be the law we can act according to that law.

THE HON. THE PRESIDENT : There may be a Hindu soldier ; there may be a European soldier, there may be a Sikh soldier, we do not know. I do not think it actually does matter very much. If any objection could have been taken it would have been taken in the Lower House where there are very many good lawyers but no such objection was taken in that House.

THE HON. MR. P. N. SAPRU : Sir, I have no objection. I only wanted to raise a point.

THE HON. THE PRESIDENT : There are a series of rulings, as all lawyers know, that the Statement of Objects and Reasons or the Preamble does not affect any part of the Act itself.

THE HON. MR. A. D. F. DUNDAS : May I perhaps explain with regard to the points mentioned by the Hon. Members that the Act now proposed does not create or take away any rights of pre-emption whatsoever ?

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 HON. MR. A. D. F. DUNDAS : Sir, I move that—

"The Bill further to amend the Indian Soldiers (Litigation) Act, 1925, as passed by the Legislative Assembly, be passed."

The Motion was adopted.

*Not corrected by the Hon. Member.

RESOLUTION *RE* ACCEPTANCE OF THE CONSTITUTION OF THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANISATION.

THE HON. DR. D. M. SEN (Nominated Official): Sir, I beg to move the following Resolution :—

"This Council recommends to the Governor General in Council to accept the constitution of the United Nations Educational, Scientific and Cultural Organisation."

The reasons for moving this Resolution, Sir, have already been circulated to Hon. Members and the Final Act and the related papers of the Organisation, which I shall briefly refer to, have also been circulated to Members. I shall, therefore, not take the valuable time of this House, but perhaps at the risk of what might appear as repetitions to certain Hon. Members who have gone through the papers I might recount some of the facts which have led to my moving this Resolution today.

The idea originated from two distinct sources. On the one side, it was the outcome of the work begun by a Conference of Allied Ministers of Education which had been meeting in London since 1942. On the other, the initiative was derived from a Resolution moved by the French Delegation at the United Nations Conference at San Francisco which called attention to the need for forming a permanent organisation of this kind. His Majesty's Government according, invited the Government of India to send a a Delegation to this Conference of the United Nations, which was held in London in 1945. The Government of India sent the following delegates :—

Dr. John Sargent.

Rajkumari Amrit Kaur.

Dr. Zakir Husain.

Dr. Amarnath Jha.

Mr. K. G. Saiyidain.

At the final session the Conference appointed a Preparatory Commission for the purpose of preparing the business for the first conference of the permanent organisation to be held in summer 1946. The results of the Conference were, in the opinion of the Indian Delegation, very satisfactory. There was a large measure of agreement among the delegates and generallya spirit of goodwill and accommodation. One specially interesting feature was the importance attached to this matter by the nations, particularly by the United States of America and France, judging from the quality and the quantity of their Delegation. The Delegation from India is unanimous that it will be well worth while for the Government of India to ratify the conclusions reached at the Conference and to give their full support to the United Nations Education, Scientific and Cultural Organisation. India stands to gain very much from association with progressive educational countries and may derive great practical assistance from the machinery of co-operation which it will be one of the objects of the permanent organisation to establish.

I, Sir, therefore, move.

*THE HON. MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan): Mr. President, I desire to lend my support to the Resolution which has been moved by the Hon. Dr. Sen. I think it is right that this country with its international background, with its desire to play a part in the larger world of which it is a part, should join an organization the object of which is to promote the cultural, scientific and educational life of this planet of ours. In the last war, one of the institutions which was born was the International Labour Organization. That, we know, did a good deal of useful work in promoting and raising labour standards all over the world. As a result of this war, several organisations have been set up. One of the most important of these organisations is this Educational, Scientific and Cultural Organisation. I think about 44 nations were represented on this Organisation. Credit is due to the Government of India for sending a strong and able delegation. It was very ably led by Rajkumari Amrit Kaur ; there was a distinguished Vice-Chancellor of the Allahabad University in that delegation—Pandit Amarnath Jha ;

*Not corrected by the Hon. Member.

[Mr. P. N. Sapru]

there was Sir John Sargent; thor was Dr. Zakir Hussain; and there was Dr. Syed. The delegation created a very good impression in educational circles in London—so I was told by several people who had been in England about that time.

We need to develop cultural contacts with the nations of the world. During the last 25 years or so we have made some progress; not as rapid as we should have liked it to be—I think the progress has been somewhat slow; from my point of view it has been very slow. But we have made progress in our educational, social and cultural life. But we need to come into contact, and our educationists need to come into contact with the larger world. If they come into contact with that larger world, they will be able to impart some of the knowledge they gather at these international conferences to the men and women who are engaged in the task of education in this country.

It is often said that we need to develop the international outlook. Well, I do not know whether we are in fact developing the international outlook or not, but I know this, that it is on the wisdom and ability and character and courage of the individual citizen that the future of any country will hereafter depend. And we want not only actual disarmament—I hope actual disarmament will also come one day—we want moral armament. I think one of the useful things that this Educational, Scientific and Cultural Organisation can do is to promote an atmosphere which will make for that moral armament.

I have not got before me the exact constiution of the Organisation. I arrived only this morning. I have been away from this country for over two months. I do not know what representation we have got on this Organisation. I hope that we are properly represented in the executive of this Organisation. It is of importance from our point of view, as one of the two leading countries of Asia—the other being China—that we should have proper representation on the executive of this Organisation. Sir, the cultural contacts, the scientific contacts—despite the atomic bomb and the secrecy which attaches to the atomicbom--bs and the educational contacts will help to broaden the minds of the teachers who go to the Organisation's meetings, and they will pass on the knowledge which they gain there to others in this country. It is of importance for the future of our race that we should give to education, to culture and to science the place that is their due. It was science that enabled the United Nations to win this war. Science was used in the last war for destructive purposes. Let us hope that it will be used hereafter for raising the moral, the material and the cultural standards of men. For what we need today is to make science subservient to humanity. While science has advanced while knowledge has advanced, humanity has not correspondingly advanced, and we need advance in ideas of humanity. If this Organisation is able to work towards this end, then it will have achieved something. Let us hope that it will be given to this Organisation to work for a better world, a world free from imperialism and from colonialism, and based upon the equality of all races, a world in which all races and nations will co-operate for noble objectives.

THE HON. MR. M. THIRUMALA ROW (Madras: Non-Muhammadan): Sir, I do not want to take much time of the House, but I wish to associate myself with the remarks made by my Hon. friend Mr. Sapru, and I support this Resolution.

Sir, this is an organisation formed for the purpose of furthering the object of the United Nations Organisation. They want the moral, the spiritual and the intellectual co-operation of the peoples of the world. Their ideals are indeed high. But when I see the list of the countries that are included in this Organisation, I find that the countries which have been conquered are particularly excluded. I hope Germany and Japan also will be included, and that this great ambition of moral re-armament, as my Hon. friend put it, and education of the peoples of the world will not be denied to the aggressors who have been laid low by the victors in this war. It was quasi-humorously and quasi-seriously said by a great writer that if Germany perished science would perish, if France perished art would perish, but if England, was lost hypocrisy would disappear from the world. There may be difference of opinion as to the last postulate, but as far as Germany and France are

concerned, and even Japan, they have a definite contribution to make to the progress of humanity as a whole. British or American or any other nation has got an equal opportunity of destroying this world with Germany and Japan with the aid of science ; it all depends on the capacity for good and the culture of the people of those nations that ultimately shape the nature of the world in the future.

Now, the purpose of this Organisation, as it is stated here, is "full and equal opportunities for education for all, unrestricted pursuit of objective truth..... They qualify truth as objective. But let me tell them that India has got a message to give to the world of subjective truth by which India has always stood, and India is pre-eminently suited to give this message, which she has realised through her subjective experience, to the whole world. And from that point of view, I feel that this ancient country has a message to deliver to the rest of the world, and this Organisation may be a proper platform from which India's culture can be imparted to the other nations of the world. From that point of view I welcome this Organisation. There have been in the past the League of Nations, the League on International Intellectual Co-operation and all those big organisations. I hope this Organisation will produce greater results than all those that have gone before it in educating the whole world to a higher standard of morality and conduct where even atom bombs will be nullified by the superior moral thought of man. With these words I have pleasure in supporting this Resolution.

THE HON. SIR RAMUNNI MENON (Nominated Non-Official) : Sir, I should like to support this Resolution. I do not wish to go into any detail nor do I think it necessary to do so. In the Educational, and Scientific Culture Organisation, as in other bodies created under the auspices of the United Organisation, India should play a very active part and as a preliminary to playing that part it is our duty now to accept the constitution laid down for this body. I therefore support the Resolution.

THE HON. THE PRESIDENT : Resolution moved :—

"This Council recommends to the Governor General in Council to accept the constitution of the United Nations Educational, Scientific and Cultural Organisation."

Question put and Motion adopted.

RESOLUTION *RE* RATIFICATION OF THE INSTRUMENT FOR THE AMENDMENT OF THE CONSTITUTION OF THE INTERNATIONAL LABOUR ORGANISATION

THE HON. MR. S. LALL (Labour Secretary) : Sir, I beg to move the following Resolution :—

"This Council recommends to the Governor General in Council that the Instrument for the Amendment of the Constitution of the International Labour Organisation, as adopted at the 27th Session of the International Labour Conference held at Paris in October 1945, be ratified by the Government of India."

The Resolution, Sir, needs some explanation. After the first World War there was a very strong desire for universal peace and to bring about universal peace, the nations at the Peace Conference in the Treaty of Versailles brought into existence the League of Nations and its sister organisation, the International Labour Organisation. The League of Nations and the International Labour Organisation was linked together and the reason for linking them was stated in the Preamble which read as follows :—

"Whereas the League of Nations has for its object the establishment of universal peace and such peace can be established only if it is based upon social justice, etc."

To bring about social justice in the world without which, it was said, universal peace could not be established, the International Labour Organisation was set up. The link up with the League was both constitutional and financial. The constitutional link up will be clear from the 1st Article which reads :—

"The original members of the League of Nations shall be the original members of the Organisation and hereafter membership of the League of Nations shall carry with it membership of the said Organisation".

[Mr. S. Lall.]

The financial link up will be clear from Article 13, part 2, which reads :—

"All the other expenses of the International Labour Office and of the meeting of the conference and Governing Body shall be paid to the Director by the Secretary General of the League of Nations out of the general funds of the League ".

This link up between the League and the International Labour Organisation has created difficulties even before the second work War. Certain State members, notably the United States of America, joined the I.L.O. but did not join the League and this caused a certain amount of complication. In the papers, Sir, we have been reading that the curtain is now ringing down on the League of Nations. It is not my duty nor my intention to deal with the decline and fall of the League or to express any views on the decay, dissolution of the League of Nations. But we must take note of the fact that the League of Nations is now to be dissolved, if it has not already been dissolved, and we have to consider how the International Labour Organisation can continue and what amendments are necessary in its constitution. While the League lost in importance, the I.L.O. grew in strength and even in the darkest days of the war, it showed an amazing vitality. Its constitution must now be unliked from the League and it is necessary to revise it and either to give it an independent status or to link it up with the new United Nations Organisation. The examination of the constitution with a view to determining what the amendments should be is a lengthy process. At the last session of the International Labour Conference at Paris, the Conference decided first to pass certain amendments which were considered to be of immediate urgency and to leave the other amendments to be considered by a Conference Delegation appointed by it, known as the "Working Party". We are here concerned with the amendments which were passed by the Paris Conference and which were considered of immediate urgency. These amendments relate to three distinct matters, namely, first, membership, second, finance and third, future procedure for amending the constitution. They are urgent in the sense that if they are not ratified immediately, there will be constitutional and financial difficulties in running the I.L.O. I submit, Sir, that they are innocuous and quite unobjectionable. As regards the further amendments, the Conference Delegation has now prepared a Report and this Report has just been received by me by air mail. We have not had time to look into it very carefully and it certainly does require very close andcareful examination.

THE HON. PANDIT HIRDAY NATH KUNZRU : Is it the Report of the Committee appointed by the Paris Conference ?

THE HON. MR. S. LALL : That is so. It is said in the introduction to this report—that each State member would be given 3 months for study and sending its views to the Chairman of the Conference Delegation. The Chairman, on receiving the views of the State members, will consider whether a further meeting of the Conference Delegation is required or not. At a further meeting held the Conference Delegation might revise its recommendations and its final report will then be submitted to the Governing Body to be placed on the agenda of the next ordinary session of the International Labour Conference. This Conference will then take a decision and if it adopts the amendments, it will have to do so by a two-thirds majority in accordance with the provisions of Article 36 of the Constitution. After the Conference has passed the amendments, they will be transmitted to the States Members for ratification under Article 4. It will be seen, therefore, that we shall be able to express our views on the further Amendments to the Constitution at various stages. First, when we examine the report of the Conference Delegation. Secondly, through our representative on the Governing Body when the official report of the Conference Delegation comes to the Governing Body. Thirdly, at the next ordinary Session of the Conference. Government Delegates and also Employers' and Workers' Delegates can raise any point that they may wish to. Finally, if the Conference adopts the amendments, they will come back to India for ratification. I can see from the amendment tabled that there is a good deal of feeling in the House that the interests of Asiatic countries are not receiving adequate attention. I certainly agree that any International Organisation which becomes a one-sided show or is run by a few members only is bound to fail. I can assure the House that

this point of view and the interests of India and of Asia will not be overlooked by the Government of India when they examine the Amendments which are now proposed in the Constitution of the I.L.O. The Amendments now before the House are simple and straightforward and I would urge, Sir, that the House should ratify these amendments. The I.L.O. has certainly done much useful link and has been much appreciated. Failure to ratify will be misunderstood and will not be in India's interest. We have, Sir, benefitted by the I.L.O. and we have paid it the highest compliment, namely, the compliment of imitation, because we have in India a tripartite organisation on the I.L.O. model. With these words, Sir, I move my Resolution.

* THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : Mr. President, I beg to move :

'That at the end of the Resolution the following be added, namely : —

"and that in the further constitutional reforms of the International Labour Organisation now being considered, the Government of India should urge the International Labour Organisation to safeguard the representation of Asia on the Governing Body by the reservation of 6 seats in the Government group, 2 seats in the employers' group and 2 seats in the workers' group to Asiatics.'

Sir, it is not my purpose in moving this amendment to oppose the Resolution brought forward by Mr. Lall or to belittle the work done by the International Labour Organisation. This organisation has, in spite of its limitations and the conditions under which the maintenance of security and the peace in the world depends, in a world torn by greed and lust of power, tried to draw our attention repeatedly to the need for improving the economic and social conditions of the workers, on which the future of the world so largely depends. Every Asiatic and every Indian is at present influenced by the feeling that the International Labour Organisation has been mainly a European Organisation and that it has neglected the interests of the Asiatic countries to such an extent as to create a gulf between these and those countries. Sir, the Amendments of the Constitution of the International Labour Organisation for which the Hon. Mr. Lall seeks our approval are by themselves unobjectionable. But as the Paris Conference appointed a Committee to consider what further constitutional changes should be brought about, it is necessary that the needs of Asia and India should be brought before the House and the Government. The Hon. Mr. Lall has told us that the Report of this Committee has been received. It is all the more necessary for us that we should place our point of view before Government so that the needs of Asia in general and of India in particular may be borne in mind by Government before they make up their minds with regard to the report which they have received. The International Labour Organisation, as its name shows, is concerned with the conditions affecting labour all over the world. Now, it is well known that the agricultural industry is the most important industry throughout the world, and it is almost the only industry in Asia. If therefore the International Labour Organisation wishes to discharge its duty, wishes to act as an agency for the improvement of the economic and social conditions of labour all over the world, it should have been its imperative duty to pay the utmost attention to the needs of Asiatic labour which is mostly engaged in agricultural pursuits. But, as I shall show later on, agricultural questions have been largely neglected by the I.L.O., and it seems to me that this neglect is due to the inadequate representation of the Asiatic countries on the Governing Body of the International Labour Organisation. Another reason for this neglect seems to me to be the gross under-representation of Asia on the staff of the I.L.O., and in particular to the absence of Asiatic from the higher direction of the Organisation.

Again, Sir, the principle of regional development will be regarded as highly important by any one who considers the different circumstances in which labour is placed in different parts of the world. Now this principle has been recognised in relation to other parts of the world than Asia. The needs of Europe were in no danger of being neglected by the International Labour Organization or it would have been soon called to account by those big European Powers which were the main supporters of the Organisation.

* Not corrected by the Hon. Member.

[Pandit Hirday Nath Kunzru]

As regards America, more than one regional conference has been held. Had similar action been taken in regard to Africa and Asia then the Organisation would have been in a position to say that it had discharged its duties impartially and that it had paid as much attention to the interests of agricultural labour as to those of industrial labour with which Europe is mainly concerned. Unfortunately, however as I have said no regional conferences have been held in Asia although the need for it has been canvassed for years.

These are, Sir, the main grounds on which I have brought forward my amendment and I shall now briefly elaborate these points to the House.

THE HON. THE PRESIDENT: You are only allowed 15 minutes.

THE HON. PANDIT HIRDAY NATH KUNZRU: I think I have taken only five minutes. (*Interruption.*) You want me to sit down and have a greater opportunity of speaking. I will gladly make over my papers to you. I think that the President was good enough to point out to me how long exactly I had to speak.

Sir, every one here knows how keenly India is interested in the International Labour Organisation and particularly in the U.N.O. and the I.L.O. It has contributed generously to the funds of the I.L.O. For some years, it contributed as much as the United States or England or France. Subsequently its contribution was reduced but I think it is still the third most important country providing for the support of the International Labour Organisation. Yet, as I have said, its interests and those of Asia, in whose welfare it is vitally interested, have been grossly neglected by the International Labour Organisation. I have already spoken, Sir, of the under-representation of Asia on the Governing Body. There were formerly, Sir, 24 Members on the Governing Body. Later on, the membership was increased to 32 in order to ensure adequate representation of non-European countries. It was proposed that they should be represented by 10 members. We thought when this modification was made in the constitution of the Governing Body that Asia would in future be adequately represented but unfortunately the new amendment has led to the Europe-America supremacy in place of the purely European supremacy that existed before.

Again, Sir, so far as India is concerned there is one point that ought to be brought prominently to the notice of the House. The Indian Government has got a permanent seat on the Governing Body. The Employers are still represented on the General Body but Labour had ceased to have any representation on it since the year 1944. I think this is a point to which the Government ought to pay serious attention. We, are Sir, not concerned with our own interests only. We regard ourselves as a part of the world in general and of Asia in particular and it is our duty to see that Asia is fairly treated in the matter of representation on the Governing Body because it is only in that way that the needs of India will receive adequate consideration. Our request should not fall on deaf ears. The League prides itself on having a democratic basis. It is necessary, therefore, that it should so arrange its representation on the Governing Body that all parts of the world are adequately represented and the needs of the workers in all countries receive the adequate attention of the Organisation.

Now, one result, Sir, of the composition of the Governing Body has been that the League has paid very inadequate attention to agricultural questions. Out of about 60 Conventions passed by the League only about 14 have been ratified by it and of these 14 only about half a dozen deal with agricultural labour.

Now a word about the staff of the I.L.O. Now, Sir, as the International Labour Organisation is a public organisation one would expect that full information would be available there with regard to the nationality of the staff of the organisation and the pay attached to the posts held by it, but this information is more difficult to get than that which relates to other aspects of it. So far as I know, there is no publication which gives this information to the public. We can get this information with regard to the various appointments in the Government of India but we could not get it with regard to the appointments under the League of Nations or under the International Labour Organisation. We must, therefore, insist on publicity in this matter and we should see that full information is given in future with regard

to the nationality of the holder of a post and the salary of the post. I think that it is the duty of the Government to obtain information on this point. There are some other points too on which it ought to obtain information so that we may know where we stand with regard to the matter of appointments on the staff of the I.L.O. I think the House would like to know what are the contributions that have been paid each year from 1920 onwards by such countries as the U.K., France, the United States, Switzerland, India, China and Japan. The House, I am sure, would also like to know the total number of employees from each of these countries and the total amount paid to the employees of each of these countries annually.

Again, Sir, we are vitally interested in knowing the present distribution of the staff according to nationality. Has any Indian been appointed to any of the posts dealing with higher supervision and control ? These are very important points and I am sure that my Hon. friend Mr. Lall will not deny that our desire to obtain information in regard to them is perfectly justified. We have a feeling, which I think is based on facts, that the claims of India and Asia have been completely and ruthlessly ignored in these matters and that information has been kept secret because its publication would have led to an uproar in non-European countries. I trust that the Government of India will obtain this information from the I.L.O. before we are asked to vote further grants to it.

Just one point more in this connection before I have done. I understand, Sir, from a gentleman who was an Employers' delegate to one of the recent International Labour Conferences that there are about 397 officials employed by the I.L.O. and that of these, 89 are French and 81 British. That was the position about a year or two ago when this information was obtained. This means that 43 per cent. of the posts are occupied by the nationals of two countries. Again, I understand from the same source that the aggregate of salaries paid to the staff of French nationality amounts to about 209 per cent. of the annual French contribution, and that the salary paid to officials of British nationality amounts to about 153 per cent. of the British contribution. Now the Labour Member said the other day that two more Indians were going to be appointed on the staff of the I.L.O. This is no matter for satisfaction, if the information that I have placed before the House is correct ; the appointment of two more members on the staff will not remove our just grievances, particularly those which concern the omission of Asiatics from the higher direction of the International Labour Oganisation.

My last point relates to regional conferences. This matter has been under discussion for a long time. It is known to the International Labour Organisation what importance India and Asia attach, particularly China and South East Asia attach, to the need for holding regional conferences periodically where their own special needs might be considered. This matter has been under consideration for years. Some time ago, a good long while ago, I should say, a Director of the International Labour Organisation visited India and it was hoped then that an Asiatic Conference would soon be held. But nothing came of his visit. And now, for about two years we have been hearing that the International Labour Organisation has got this question once more under its consideration. Publicity has been given recently to the importance of regional developments contemplated by the I.L.O. I should like my Hon. friend to give us precise information on this point. We want to know how soon we can expect a regional conference to be held in Asia, and what are the important points to be considered by it. I wish that as soon as the war had ended the International Labour Organisation had taken steps to call a conference here, so that it might take steps as early as possible for the rehabilitation of the economic situation in South East Asia, and particularly of an improvement in the conditions of labour in this part of the world. But, for ought we know, the International Labour Organisation has done nothing concrete in this connection, and may do nothing concrete for years to come. I hope that the Government will strongly urge the points that I have placed before them on the attention of the RI.L.O. We hope that owing to the desire of the League to expand its work and adjust its machinery to the changing conditions, that it would pay due attention to our grievances and take steps to rectify them. If unfortunately it does not do so, it will forfeit the confidence that the non-white races have so far placed in it, and it

[Pandit Hirday Nath Kunzru]

will be the duty of the Government of India then to take such action as might be necessary to create purely Asiatic organisations to serve our purposes.

We are in a particularly advantageous position in this connection, both because of official and non-official contacts between India and South East Asia and China owing to the war. I hope once more that the I.L.O. will read the signs of the times aright, will bestir itself, pay proper attention to the needs of agricultural labour and see that Asia is properly represented on the Governing Body. But should this matter be neglected, the duty of the Government of India is plain. I have suggested amendments in the constitution of the Governing Body with this view and I have suggested the precise amendment that I have placed before the House, because when the constitution of the League was modified it was laid down that six members out of the Government members, two representatives out of the Employers' representatives and two representatives out of the workers' representatives should be reserved for the representation on non-European interests. It was then hoped that this representation would go mainly to Asia. But Asia is at present represented only by five persons on the Governing Body, and the African races are represented by one member. My amendment therefore is meant only to give effect to the hopes which the change in the composition of the Governing Body inspired. It is not an amendment brought forward at random, it is not an amendment seeking to concentrate power in the hands of Asia; it is an amendment that was brought forward by the I.L.O. itself so that non-European interests might receive due attention. Europe and America together are already over-represented, and I think, therefore, that the specific amendment that I have moved will be regarded as reasonable and will receive the support both of the House and the Government.

THE HON. THE PRESIDENT: Amendment moved:—

"That at the end of the Resolution the following be added, namely:—

'and that in the future constitutional reforms of the International Labour Organisation not being considered, the Government of India should urge the International Labour Organisation to safeguard the representation of Asia on the Governing Body by the reservation of 6 seats in the Government group, 2 seats in the employers' group and 2 seats in the workers' group to Asiatics'."

The Council will now adjourn till 3 P.M. and when we meet, the debate will proceed both on the Resolution and the amendment.

The Council then adjourned for Lunch till Three of the Clock.

The Council re-assembled after Lunch at Three of the Clock, the Hon. the President in the Chair.

NOTICE OF MOTION FOR ADJOURNMENT—*contd.*

THE HON. THE PRESIDENT: Sir Archibald Rowlands, we are very pleased to see you here. There is the Adjournment Motion of Mr. Thirumala Row before us. During the recess I have looked up the Government of India Act and I should like definitely to know from you whether you have acted under section 313(3) or 241(2). I should like to know your views on the subject. I have overruled this Motion on the technical ground that it was not a matter considered by the Governor General in Council and could not be discussed under the Rules. If action has been taken under section 313(3), then my decision is perfectly wrong. I should like to know definitely from you on that point.

THE HON. SIR ARCHIBALD ROWLANDS (Finance Member): Sir, on the legal point, I am afraid I am not an expert. I do not pretend to know the Government of India Act inside out. I am not quite clear what the point is. Perhaps you would not mind that point being dealt with by the Home Secretary. I will deal with the case on the merits.

THE HON. THE PRESIDENT: If the appointment was made by the Governor General himself under the functions exercised by him, it cannot be questioned by an Adjournment Motion. But if any action was taken by the Governor General in Council, then it is liable to be questioned.

THE HON. SIR MAHOMED USMAN: As arranged this morning, I suggest that we first hear the Hon. Mr. Porter on the legal aspect; then Sir Archibald Rowlands will deal with the case on the merits.

THE HON. THE PRESIDENT: I am glad that Sir Archibald Rowlands is here, because I want to know on the merits also. If I am wrong, I shall have to study the whole point on the merits.

THE HON. SIR MAHOMED USMAN: On the merits, Sir Archibald Rowlands will speak.

THE HON. MR. A. E. PORTER: Sir, I have looked into the point which I said I would look into and I have instructed myself as follows. I will read, if I may section 241, sub-section (*1*) of the Government of India Act. It says, excluding the portions which are not relevant,—

"Except as expressly provided by this Act, appointments to the civil services of, and civil posts under the Crown in India, shall after the commencement of Part III of this Act, be made in the case of services of the Federation and posts in connection with the affairs of the Federation by the Governor General or such person as he may direct".

The Governor General has not directed any other person to make these appointments and that means that the appointments are made by the Governor General.

The question then arises what does the Governor General mean during the period of transition. After the introduction of Part III of the Act before the establishment of Federation the explanation of what is meant by the Governor General is contained, so far as the transitional period is concerned, in section 313 of the Act, sub-section (*3*) of which, again omitting portions which are not pertinent, says:

"References in the provision of this Act for the time being in force to the Governor General and Federal Government, shall, except as respects matters with respect to which the Governor General is required by the said provision to act in his discretion, be construed as reference to the Governor General in Council."

This particular question, namely, appointments of Secretaries and Secretariat officers, is not one in which under the Act the Governor General is required to act in his discretion, and therefore the appointment in this particular case ——

THE HON. THE PRESIDENT: He had remitted the case to the Governor General in Council.

THE HON. MR. A. E. PORTER: Was an appointment by the Governor General in Council?

THE HON. THE PRESIDENT: That makes it clear that my decision would not stand in the present case and I shall hear Mr. Thirumala Row. I did not care to follow him this morning because I thought I was going to dispose of the question on technical grounds. You have argued this morning Mr. Thirumala Row, but I should like you to repeat your arguments again.

THE HON. MR. M. THIRUMALA ROW: Sir, I said that my objection to the appointment was based on two grounds, one on principle and the other on policy The principle is that you should not bring a retired and superannuated gentleman from a far off province while there are qualified people in the Department itself. The second principle is that you should not bar the progress of Indians who are duly qualified in the Department to get to responsible positions.

THE HON. THE PRESIDENT: You have raised two points. You should not bring in the question of a superannuated officer and you should not refer supersession of the acting Secretary.

THE HON. MR. M. THIRUMALA ROW: The first point is that outsiders who have already retired should not be brought into service irrespective of racial considerations when there are people who are competent in the service itself, whether Europeans or Indians. My point No. 2 is that when there are competent Indians in the Department itself with sufficient seniority and service they should not be overlooked in favour of a man who has already retired. With regard to public policy, I am not sure that this gentleman is an expert on Finance in the Madras Government. I know he was Finance Secretary from 1930 to 1934. But afterwards

[Mr. M. Thirumala Row]

like every other civilian who is considered to be omniscient, knowing everything under the sun, he was Registrar of Co-operative Societies for some time. He was the Member in charge of the Home Department ——

THE HON. THE PRESIDENT: May I know whether you consider that I am entitled to go into individual cases under the rules ?

THE HON. MR. M. THIRUMALA ROW. It is a power exercised by the Governor General in Council. When a power is exercised, the Governor General in Council must take into consideration all the aspects of the case with regard to principle as well as public policy. There is a strong feeling among all the public men and public bodies in India against this particular individual, especially in Madras, where as Adviser in charge of the Home portfolio he transported 40 or 50 important leaders of public opinion from the Madras Province to Amraoti and there detained them indefinitely without any consideration for their health. Mr. Satyamurthi was one of those who was transported under the orders and aegis of this particular gentleman when he was not in a fit condition to travel and was made to sit in a 22-seater bus or motor lorry from Nagpur to Amraoti when it was raining when that gentleman was not even in a condition to sit up. That aggravated his disease and in spite of repeated requests to transfer him back to Madras to get proper treatment, he was transferred at a very late stage when recovery was impossible and he therefore succumbed. There is a very strong feeling among the public in Madras that such a civilian officer who has earned his pension and retired should not be brought back under any circumstances into a public office again. This is my second point. These are the two points on which I object to the appointment of this gentleman and ask this House to express its disapproval of the course taken by the Governor General in Council.

THE HON. THE PRESIDENT: Assuming all that you say is true, am I justified under rule 11 to look into this individual matter ?

THE HON. MR. M. THIRUMALA ROW: It is not a question of individual matter. He is in charge of the finances of the country and second in command to the Finance Member. I oppose it on principle and public policy. There is no other opportunity of bringing this matter before the House by way of Resolution or interpellation, because we are going to have only one more sitting on the 18th and we have come to know of it very late in this session. Therefore, Sir, I am entitled to ask for the admission of this Adjournment Motion.

THE HON. MR. P. N. SAPRU: Mr President, so far as the first point is concerned, I should like to say that an Indian officer has been superseded. That raises a question of principle. I mean, the principle is that there has been a setback so far as the policy of Indianisation is concerned—that there is no progressive Indianisation of the Secretariat—and I would submit that on that point alone the Adjournment Motion raises a question of urgent public importance which should be considered by the House.

THE HON. THE PRESIDENT: I suppose when the National Government comes into existence and they appoint an Indian and a European is not appointed you will bring in an Adjournment Motion then also.

THE HON. MR. P. N. SAPRU: I am not prepared to concede that it will raise a matter of urgent public importance.

THE HON. THE PRESIDENT: It is a reverse case.

THE HON. PANDIT HIRDAY NATH KUNZRU: I think if you ask me on the question of principle, there is nothing on that point, but whether we shall bring forward a Motion is quite a different matter.

THE HON. THE PRESIDENT: I will decide the question, but I want to know your opinion first so that you may not say that I have not given you a hearing.

THE HON. PANDIT HIRDAY NATH KUNZRU: Sir, if we find that certain important considerations have been overlooked in connection with a particular appointment I think we can raise the matter in connection with that appointment. If you decide that no individual case can be considered you practically decide that

there can be no Motions of Adjournment with regard to any appointments made by Government.

THE HON. THE PRESIDENT: You cannot raise any question of general policy. You have misunderstood if you think you can raise a question of general policy under that Standing Order.

*THE HON. PANDIT HIRDAY NATH KUNZRU: But how is a question of the general policy to be discussed? How is it to be inferred except from the actions of Government? We see the actions of Government in connection with the filling up of appointments only when a particular appointment is filled up. There is no other means of knowing the policy of Government and if you rule that the action of Government in regard to a particular appointment cannot be discussed you debar us from considering the policy underlying an action. I hope, therefore, Sir, that you will admit Mr. Thirumala Row's Motion of Adjournment because it does raise important questions, as he said, of principle and of policy.

THE HON. SIR ARCHIBALD ROWLANDS: I am not, as you know, familiar with the rules of the House and I regret I have had few opportunities of visiting it. During the Budget myself was all the time in what is known as "another place" but I do submit that, from what I know of the procedure in that other place, this is not a matter to justify an adjournment of the business of the House to discuss it There is no question, in my submission, either of principle or policy. It is purely an administrative act which I was necessarily entitled to take and which I would be failing in my duty if I did not take. The fact was that the Principle Secretary of the Finance Department was going on very much overdue leave to England for five or six months and it became necessary to make such arrangements as were possible to see that the Department was not unnecessarily weakened in the interval. There is no question of racial discrimination. At least that charge cannot be brought against me, because I appointed an Indian as Secretary of the Finance Department a few months ago. He is the first Indian to hold that office. Then the Financial Commissioner, Railways, has just gone on leave and I have sanctioned and approved that his place should be taken by another Indian officer. There is no question of Government having accepted that, in no circumstances, will they re-employ a superannuated officer. In fact, owing to the expansion of duties and reductions in the cadres a noteable reductions in cadres, Government has had to resort to that on many occasions. The officer in question was not brought back from retirement or unemployment. He was at the time that I secured his services—and I was very lucky to get them—employed under the Government of Bengal. I do not know what he did as Home member in Madras. I think the point is irrelevant and, in no event was it a point that I was entitled to take into account. Then the appointment is only for five months. I do not think that any question of principle or policy is involved—it is only an officiating appointment and not a permanent appointment —or that the matter is one calling for an adjournment of the business of the House.

THE HON. PANDIT HIRDAY NATH KUNZRU: May I observe in connection with the remarks made by the Hon. the Finance Member that he has not met either of our points. The question of principle still remains to be discussed. He did not touch it. He did not say one word about it.

THE HON. SIR ARCHIBALD ROWLANDS: I have dealt with both, Sir. I will repeat them again if the Hon. Member so desires.

THE HON. PANDIT HIRDAY NATH KUNZRU: The Hon. Member says that none of these considerations applies to the particular appointment but he did not say one word about the question of principle which was referred to by my Hon. friend Mr. Thirumala Row. In the second place, Sir, what the Hon. the Finance Member has done in connection with the appointment of an Indian Financial Commissioner, Railways is irrelevant. The question is whether if this gentleman had not been appointed the Indian Secretary would have had a chance of officiating as Principal Finance Secretary or not. That is the plain question before us. We are not accusing the Finance Member here of having consistently ignored all Indian interests. The question is of the policy underlying this particular act. Had the most

*Not corrected by the Hon. Member.

[Pandit Hirday Nath Kunzru.]

important post in the Finance Department been that of Secretary we would have all congratulated my Hon. friend opposite on having appointed an Indian as Finance Secretary but the most important post in that Department was that of Principal Finance Secretary and if he wants to show that Indian have his complete confidence he must show why Sir Hugh Hood had to be appointed to this particular post when he, during his long service, has had no particular connection with finance. He was once Finance Secretary to the Madras Government. Even on the question of qualifications, therefore, my Hon. friend has not met the point raised by my Hon. friend Mr. Thriumala Row fairly. I think, therefore, Sir, that the Motion which Mr. Thirumala Row has placed before the House is worthy of being accepted by you.

May I just say one word before I sit down ? My Hon. friend opposite said that the Government had made such arrangements as were possible in order to see that the Department was not weakened in the interval, that is while the permanent Principal Finance Secretary was on leave. Judging from the qualifications of the person who has been appointed as Principal Finance Secretary can any one really believe that this was the only arrangement possible for carrying on the work of the Department during the absence of Sir Cyril Jones ? I think it is making too large a demand on our credulity to ask us to believe that this was the only appointment that could have been made in the circumstances.

THE HON. THE PRESIDENT: I should like to know whether you made this appointment in your individual capacity or whether it was brought before the Executive Council and they decided to appoint Sir Hugh Hood.

THE HON. SIR ARCHIBALD ROWLANDS: I do not think it is proper to disclose the process by which Government arrives at a decision. The appointment was made in accordance with the accepted procedure that is to say it was made on my recommendation and approved by the Governor General.

THE HON. SIR N. GOPALASWAMI AYYANGAR: There is only one other question on which I would seek some enlightenment from the Hon. the Finance Member. It is a fact or is it not a fact that Sir Hugh Hood has formally resigned the Civil Service or retired from it ? That is No. 1. It is not a fact when vacancies of this sort arise Government should look to the live members of the Services for finding the man who should fill the post? Is it considered to be the proper policy to go out of the ranks of live members of the Services and ask a man who has resigned the Service or retired from the Service to come back even if it be for a temporary period ?

I think Sir, speaking from the standpoint of the services, it is an injustice done to the services that persons who are in service and who are doing work should be passed over and people who have retired from service should be called back and made to take the places which should be reserved for men who are in service.

THE HON. SIR ARCHIBALD ROWLANDS: I will answer this question first of all. Sir Hugh Hood is a re-employed I.C.S. officer : that is to say, he had reached the age of retirement and was re-employed immediately, first by a Provincial Government and then by this Government. Normally, I would entirely accept, in the interests of the service, that most high appointments should be filled by what my Hon. friend has called "live" members. I do not know what the suggestion is—whether it is that Sir Hugh Hood is half dead : but if the Hon. Member knows him as well and as I do I think he would not think that is so.

Moreover, in a particular case, I think it must be left to the Member in charge who is responsible for the efficiency of the department to make those arrangement which he thinks are proper so long as they do not inflict any injustice : and I deny that any injustice has been inflicted in this case.

One point I omitted to mention. The officer who is alleged to have been superseded—I deny that the use of the word is correct in this connection—and incidently he is a personal friend of mine—that officer has recently been appointed to the charge of a very important section of the Department ; and to have withdrawn him at this stage would have seriously affected the efficiency of the Department at a time when it is clearly more imperative than ever to maintain that efficiency.

THE HON. PANDIT HIRDAY NATH KUNZRU: Could he not as Principal Finance Secretary have carried on the negotiations which he is doing now?

THE HON. SIR ARCHIBALD ROWLANDS: No, Sir, he could not do both jobs.

THE HON. THE PRESIDENT: In my opinion, the wording of this Adjournment Motion is essential, and we must confine our attention in the first instance to the exact wording. In the Motion which the Hon. Member has handed over to me, the wording is: "·····to discuss a matter of urgent public importance of recent occurrence namely the appointment as Acting Finance Secretary to the Government of India, of Sir Hugh Hood who is a retired and superannuated Madras civilian", and, secondly "in supersession of Indians of capacity available in the Finance Department". Hon. Members will see that two main points are made in this Adjournment Motion. I say at the very commencement that it is not open to any member of this House on an Adjournment Motion to make any special reference to any injustice or any particular grievance and make that a subject of argument. The Adjournment Motion which is contemplated in rule 11 is a Motion which only allows as argument regarding a definite matter of urgent public importance of recent occurence that is to say, the principle which is involved. Hon. Members can argue the principle but they cannot argue special cases of grievances, and under the pretext of bringing certain cases of injustice or grievance before the public eye, it is not open, in my opinion to any member of the House to move an Adjournment Motion on that ground.

THE HON. PANDIT HIRDAY NATH KUNZRU: On what?

THE HON. THE PRESIDENT: On that construction. I have not yet finished. I have given ample opportunity to members to address the House and I now request Hon. Members to allow me to say a few words and express my views on the subject.

Secondly, if the Hon. Member says that this is a definite matter of urgent public importance I entirely disagree with him, because during the last five or six years, we have several times discussed this matter at great length both by questions and by resolutions, that the policy of the Government of India should be that Indians should be appointed and not Europeans. All these questions have been very carefully and very often fully argued in this House. So, it is certainly not a matter of urgent public importance, in my opinion.

Another difficulty which I have to contend with in considering this matter is that I cannot look into individual cases. The present incumbent may be condemned another officer may be found unfit for the work; I have no means of judging these matters. There is no evidence before me; there is no data before me to go upon and it would be foolish for the President to consider these matters at all. Arguments either for or against are simply inopportune or irrelevant matters. We have only to look at the principle involved and I want to say that the President is not right in assuming that the principle has been accepted or whether the President has any status or right to argue about or not doubt or to question to an appointment made by Government in the exercise of its ordinary functions. I say that it is certainly not my business to interfere. Whether the discretion was rightly exercised by Government or not is not my concern. They may have rightly exercised it, or they may have wrongly exercised it; I cannot look into those things at all. I am not privileged to look into those things. The rules do not permit to look into those things. That is the Government's lookout. For all these reasons I hold that the Adjournment Motion is not in order and does not comply with the requisite Standing Order, and I therefore reject it.

THE HON. PANDIT HIRDAY NATH KUNZRU: May I understand the effect of your ruling? Do you rule that we can never consider the policy underlying any appintment made by the Government? Questions relating to appointments have been discussed before this House——

THE HON. THE PRESIDENT: As I have already said, it is not the business of the Chair, under this rule to which I have referred, to consider individual cases of grievances. And if the Hon. Member brings Adjournment Motions based on individual grievances, the work of the Legislative Council will be wholly impaired and we shall never be able to go any further.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY (West Bengal : Non-Muhammadan) : It is not a question of individual grievance ; it is a question of national grievances—a question of Indian *versus* European.

THE HON. MR. M. THIRUMALA ROW : Will you , Sir, permit me to make one observation ? I have not mentioned any individual grievance in this connection, but only the general question of an attempt to bar the progress of Indian employees in the Government of India so far as the filling of that vacancy is concerned. The principle has been accepted. It has been agitated by the public and has been accepted by the Government. And in the present context when the Cabinet Mission is here negotiating a transfer of power to Indians, the Government of India is moving in the opposite direction and bringing in reactionery superannuated people into the Government. That is the point in the morning when you gave your ruling, you took your stand only on the question whether the appointment was made by the Governor-General or by the Governor General in Council, and you gave your decision on that point. But on our representation, you deferred the decision to the afternoon pending further clarification of the legal position. Now you have taken the whole matter— .

THE HON. THE PRESIDENT : I have clarified the legal position and therefore I say I was wrong ; I do not admit that I was under a wrong impression.

THE HON. MR. M. THIRUMALA ROW : If you had made these points in the morning we would have been prepared to rebut those points———

THE HON. THE PRESIDENT : Order, order. The Hon. Member cannot rebut the points : when they have been decided by the President, his decision is final. The Hon. Member ought to know that.

RESOLUTION *RE* RATIFICATION OF THE INSTRUMENT FOR THE AMENDMENT OF THE CONSTITUTION OF THE INTERNATIONAL LABOUR ORGANISATION—*contd.*

THE HON. RAI BAHADUR SRI NARAIN MAHTHA (Bihar : Non-Muhammadan): Sir, I wish to offer my support to the amendment moved by my respected and honoured leader Dr. Kunzru. The Mover of the Resolution said that the League of Nations was practically in a state of liquidation and that in the event of the League being liquidated finally the I. L. O. would have to function independently, and should, in that circumstance, be allowed to develop or establish contacts with the U.N.O. So far as this aspect is concerned, we in this House, or India as a whole, can possibly have no objection. But finding that the I.L.O. is going to change complexion and perhaps composition also I consider it a very opportune time when the grievances of such countries as have been principal members and have been contributing substantially towards the funds of the I.L.O. should be taken into consideration. Sir, all parties in India are interested -and most vitally interested- in gaining contacts with other countries and consequently with organisations such as the U.N.O. or the I.L.O. India's poverty compels her to take interest in an organisation like the I.L.O.as practically all countries in Asia stand on a low level of production and on low standards of general living. At the same time we have to remember in this connection that India had been annually contributing to the I.L.O. funds equal to the contribution made by the U.K. or France in pre-war years. Later on, however, India's contribution was somewhat reduced and if my information is correct, India even today is the third highest contributor to the I.L.O. That being the case we definitely do want to take into account how much and to what effect our position in the I.L.O. leads to the benefit of Indian industries or even to the benefit of agricultural labour in this country. There is a definite feeling in this country, and perhaps also in many countries in Asia, that great inequality of treatment between the white and coloured races has existed in the I.L.O. The treatment given to Asia as a whole if taken into account will certainly stand as a very dark blot on the past history of the I.L.O. Taking the Governing Body of the I.L.O. into account we have been told that formerly it consisted of 24 members, 12 of whom were representatives of various Governments, 6 were representatives of the employers of various countries, and 6 used to represent the workers of various countries. It was however the experience of Asiatic peoples that during all this period it has been very difficult for non-European countries to gain any substantial representation in the Governing Body of the I.L.O.and in course of time matters came to such a pass that even the I.L.O. itself started realising that the

position given to Asiatics in the I.L.O. Governing Body may not in the long runs prove to be advantageous to the Organisation itself. This is the history of the change that later took place in the compostion and number of the Governing Body of the I.L.O. We find that somewhere in 1934 it was specifically decided that the Governing Body of the I.L.O. must have 6 Government representatives, 2 employers' representatives and 2 workers' representatives who must be non-Europeans and that the total number of the Governing Body would then be increased from 24 to 32 giving 16 members to represent Governments, 8 to represent the workers and 8 to represent the employers. But in the election that was held in 1937 it was found that the desired effect could not be produced. That is, even after the change that was effected in the composition and even in spite of the assurance of a definite apportionment of seats to non-Europeans it was found in the election of 1937 that 25 seats were secured by Europeans, Americans and Oceanos and out of 32 seats only 2 went to Africa and 5 only remained to Asia. That cannot be considered a very satisfactory position. At least we cannot share the satisfaction which Government might have. I shall now examine the question from another point of view also. Russia is not a member of the I.L.O. The total population of the world is generally quoted to be 2,000 millions out of which 1,200 millions belong to Asia. I would like to ask Government whether thay consider it a satisfactory state of things that 1,200 million people get 5 seats and 680 million people get 25 seats.

THE HON. THE PRESIDENT : Am I to take it that you are objecting to that part of the amendment which gives figures ?

THE HON. RAI BAHADUR SRI NARAIN MHATHA : No, Sir. What I say is that the percentage of representation demanded in the amendment moved by the Hon. Dr. Kunzru is a very modest one. In fact even if we take only the population figures into consideration, we should in every case be justified in claiming that Asiatic countries with a population of 1,200 million, should get more than 50 per cent. of the seats in the I.L.O. Governing Body. Keeping that view before us, I think the amendment takes a very modest and very moderate view of the proportion that Asia must get in the I.L.O.

As far as I am aware the I.L.O. produced about 69 Conventions only 6 of which dealt with agricultural labour. Indian labour is mostly agricultural. India, I would therefore say received very scant attention. I would also examine this from another point of view, *i.e.*, from the, point of view of Indian industries. If we take into consideration Industrial Conventions, there tooit has to be recognised that Asiatic countries do feel that the main aim of the I.L.O. is to arrest the development of industries in Asiatic countries by saddling us with heavy labour costs which could be borne only by those Countries where industry is already well established. A Convention by its legal nature is something with which one cannot take great liberties, and it is on account of that fact that India has not been able to ratify most of the Conventions produced or brought forward by the I.L.O. because most of these Conventions have been found to be of unreal value to India and in the context of India's conditions cannot at present be considered to be beneficial to or bearable by Indian industries. Sir, the amendment, as you have observed seeks to add to the statutory representation of Asia, because India cannot make herself heard all by herself. If Asia does not get a better representation in the I.L.O. India may be forced by circumstances and would be perfectly justified as leader of the many countries in the East to work for another organisation like the I.L.O. for Asiatics That will not however be a happy position either for the present I.L.O. or for the I.L.O. that Asia may choose to start for herself. I, therefore, think that the amendment should be accepted by the Government and the principle underlying the amendment pressed by the Government on the present I.L.O., which has so far treated India merely as a milch cow and has not even thought fit to appoint Indians to any honourable jobs in their establishment

THE HON. THE PRESIDENT : (to the Hon. Pandit Hirday Nath Kunzru) You have asked for 6 seats for the representation of Asia on the Governing Body. Have you consulted the other States and got their opinion.

THE HON. PANDIT HIRDAY NATH KUNZRU : It is not necessary for me to do so.

THE HON. THE PRESIDENT : I only want to know from you whether they will be satisfied with what you asked.

THE HON. PANDIT HIRDAY NATH KUNZRU : I am sure they will not be, but I had to consider two things. One we do not even have the little that I have asked and the other is that I was not certain of the attitude of our Government of India. I had therefore to put forward to amendment which had some chance of being accepted by the present Government.

THE HON. THE PRESIDENT : Your request is very modest. I admit that I only want to know whether the other parts of Asia would agree to your suggestion.

THE HON. PANDIT HIRDAY NATH KUNZRU : I think they will regard it as a great improvement on the present situation. If my proposal is accepted, it would double the representation of Asia. Besides, Sir, when the Constitution of the I.L.O. was amended and the number of members on the Governing Body was raised from 24 to 32 and it was understood that the increase in the number of members would enable Asia to have better representation no objection was raised to the proposal. My proposal therefore repeats only the proposal made earlier by the International Labour Organisation and which was hoped to be for the special benefit of non-white races.

THE HON. THE PRESIDENT : I quite understand. But can this House bind other parts of Asia ?

THE HON. PANDIT HIRDAY NATH KUNZRU: We are not binding any part of Asia at all. All what we are seeking is to broaden the composition of the Governing Body so that interest unrepresented at the present time might be more adequately represented and I am sure Asia will be very grateful to us for having taken up its cause and seeing that in future it is not ignored to the extent to which it has been in the past.

*THE HON. MR. P. N. SAPRU (United Provinces Southern : Non.Muhammadan) : Mr. President, I think I am making no exaggerated claim for myself when I say that no member of this House has taken a greater or keener interest in the International Labour Organisatin, and labour questions generally, than myself : The International Labour Organisation has always had a big attraction for me, and I have always welcomed India's membership of the International Labour Organisation. At the same time, there is our point of view which has to be pressed before the International Labour Organisation and our Government should take the lead in pressing that point of view. That, I take it, is the sum and substance of Pandit Kunzru's Resolution. What does he say ? He wants that in the further constitutional reforms of the International Labour Organisation now being considered, the Government of India should urge the International Labour Organisation to safeguard the representation of Asia on the Governing Body by the reservation of 6 seats in the Government group, 2 seats in the employers' group and 2 seats in the workers' group. We know that the International Labour Organisation met at a conference in Paris only about last year. The constitutional amendments in the I.L.O. are not by any means yet complete and the Paris Conference has appointed a committee which will study the constitutional changes which are necessary in order that the I.L.O. might function more effectively ; and therefore the time is ripe—more than ripe—when we should press for some changes of an important character in the constitution of the I.L.O. Sir, India, which is a part of Asia represents nearly one-fifth of the world's entire population. Asia has got a population of more than one-half of the world. It has got about 1,200 million people and we have got in Asia the largest agricultural population in the world. Now, this huge continent, with varying standards of labour has got only about 5 seats out of a total of 32 seats. Europe and America get in the executive about 23 seats and the other 4 seats go to Africa and Oceana. If we examine the composition of the I.L.O. Governing Body, we find that the white races have been able to obtain as many as 26 seats. The white races do not represents the majority of the world's population. The white races have been able to obtain as many as 26 seats.

The non-white races have been able to win only about six seats. If welook into the staff, and particularly the superior staff, of the I. L. O. we find that the Asiatics

*Not corrected by the Hon. Member.

are practically nowhere there. Two more Indians might have been added to the staff but that is nothing. So far as the Directorship of the Organisation is concerned so far as the other superior posts are concerned, they are all reserved for the white races. They may not technically be reserved but we know that they only go to the white races. The I. L. O. has more than one Regional. Conference for the American region, but so far as the principle of regionalism is concerned that has not been applied to Asia at all so far and, if it is to be applied to Asia there are some countries of Asia which are unfortunately not imperialistic nations which are not members of the I. L. O. Take, for example, Malaya. I have just been coming from Malaya. I have just seen what the conditions of labour in Malaya are. I know how conscious Malays are. The white man will never be able to have the same position in Malaya as he had before the war. The Chinese are very conscious. The Malays too are getting politically conscious and yet Malaya is not a self-governing country and there is no immediate or remote possibility of their getting their own Government. So she goes without representation. Ceylon is not a member of the I. L. O. She goes without representation. Well, that is the position so far as this Asiatic region is concerned. So far as India is concerned we are the third paymaster of the I. L. O. I think Britain and America pay more than we do but we come immediately after, and what is the reward that India has got for being very scrupulous in honouring her financial obligations towards the I. L. O. The reward that India has got for honouring her obligations—financial obligations—towards the I. L. O. is that her labour goes without any representation on the executive of the I. L. O. She has got two Employers' representatives on the I. L. O. but so far as the vast mass of labour is concerned it goes without representation on the I. L. O. You will say there are labour differences here. There is the Indian Federation of Labour of Mr. M.N. Roy—I am glad that subsidy to it has been stopped; that is one good thing I learnt on my return from Malaya—and there is the Trade Union Congress. You will say what can we do and how can we press the claims of Indian labour and so on. Well in the United States you have got two Labour organisations—very powerful organisations—but that argument does not apply to the United States. I suppose the Labour market is not completely united in other countries either but the arguments which are applied to this country will not apply to other countries, for the simple reason that in other countries there are Governments who are prepared to fight for the rights of their men. I do not know whether our Government is prepared to fight for the rights of the underdog in our country. The Indian Labour is without any representation in the I. L. O. and yet we contribute towards the I. L. O. more than any other country except Britain and, I think, the United States.

Now, the I. L. O. boasts of being a very very democratic body. You get very interesting pamphlets headed "Towards our true inheritance" and all that sort of thing and the equality of races is always emphasized and democracy is held up as an ideal. There is great stress on social security and social justice and all that. That is all very interesting but I ask in all seriousness whether this democracy is justified in denying equality of representation to the greatest continent in the world, the continent which supplies Europe with raw material for the manufacture of her goods.

I think Pandit Kunzru's Resolution is a very modest one. He himself is a very modest man. He is a very moderate man and he has brought forward this Resolution as a test Resolution. The agricultural workers out-number the industrial workers, I do not know, by how many hundreds of thousands throughout the world and yet the agricultural workers of Asia have got to go without any respresentation in this most wonderful body—the I. L. O.—which, I admit, has probably done something to raise labour organisation, with whose ideals I sympathise but whose constitution I consider to be thoroughly unsatisfactory.

Take, for example, the Industrial Conventions. Now we have been able to implement only 14 out of 66 Conventions. I think we could have implemented more. I am one of those who are for improved labour standards and who like Conventions to be invented. Of course, you tell the employer to shorten hours. He will tell you they cannot be shortened but when you actually shorten hours experience will tell you that the shorter hours have had no real effect upon productive capacity. You will get that opposition from vested interests. But the point is this. When you are drafting a

[Mr. P. N. Sapru.]

Convention for the entire world you must take into consideration the conditions of industry not only in the bigger countries and more advanced countries of the world but also in the smaller countries of the world. It may be that conditions in the tropics are somewhat different from conditions in the West. It may be that what suits Britain, which has reached a stage of industrial development which it will take us considerable time to reach can afford to implement Conventions which a poor country like ours cannot afford to. There is therefore a case for treating the tropical countries somewhat differently and we should have exerted some influence over these Labour Conventions if we had sufficient representation on the I. L. O. But we have no representation. The fact of the matter is that we are supplied with a European pattern, not with an Asiatic pattern. Therefore, it is from our point of view most important, if we are to function as an effective member of the I. L. O., that we should have adequate representation on the Governing Body of the I.L.O. In fact, you cannot legislate even by agreement without complete knowledge about the East. The difficulty with the Organisation as it exists today is that it has not that complete knowledge about the East which is necessary if it is to legislate effectively for the East by conventions. Therefore, the conclusion is that the best way of bringing about better labour conditions and more satisfactory labour conventions is to provide for Asia's adequate representation on the Governing Body.

I should like to know what are the amounts of contributions paid to the I. L. O. each year from 1920 onwards by such countries as France, Switzerland, India, China, Japan, the United States of America and the United Kingdom. We should like to get some information from the Government of India about the present nationality distribution of the staff of the I. L. O. We should like to know whether, after a quarter of a century of association with the I.L.O., we are considered fit to be associated with the supervisory staff and with its higher staff. If so, to what extent. And we should like to know whether the I.L. O. is to be regarded in future as a British, French and American concern, or whether it is to be regarded in future as the concern in which all the peoples of the world including the peoples of the East are interested.

Figures were quoted by my Hon. friend Pandit Kunzru : he is very good at quoting figures, and I need not quote them again. But I would just point out that before the outbreak of the war there were 397 officials in the I. L. O.—I am excluding the clerical staff—and of these 397 officials, 89 were of French and 81 of British nationality. They accounted for nearly 43 per cent. of the officials of the I. L. O. The aggregate of the salaries paid to officials of French nationality represented 209 per cent. of France's contribution to the I. L. O., and the aggregate of the salaries paid to officials of British nationality represented 135 per cent. of the United Kingdom's contribution to the I. L. O. We should like to know what is our percentage. Surely these matters are worth looking into, and before we are asked to enthuse over the achievements of the I. L. O.——and I do not want to decry that body——before we are asked to look upon it as a democratic body which is working for raising labour standards all the world over, we should be given some glimpse into the working of the I. L. O. during the last 26 years of its existence.

Now, I would like to refer to the regional developments contemplated by the I. L. O. We should like to have an Asiatic region associated with the I. L. O. It may be that, if the present state of things continues, we may have to think in terms of an Asiatic I. L. O. ; we may have to think of breaking away from the main body and build up a body which would include our great neighbour China, which would include an independent Indonesia, which would include a Malaya which had acquired independence, which would include Ceylon and Burma, which would include Afghanistan, Iraq, and a completely independent Iran, and which would include also, I hope, an Egypt which had acquired real independence, and which would probably also include the African colonies from which the South African whites were eliminated. One day I hope that the native races of South Africa will be able to win their independence against the infinite whites of South Africa. I hope that day will dawn, and that that day will dawn in our lifetime. It is for that international order, based upon real equality, based upon real democracy and not upon fictitious democracy, not upon the democracy of imperialism, that we in this country are asking, and it is from that point of view that we must judge the future of the I. L. O. I welcome the amendment of my Hon. friend Pandit Kunzru because it represents a step in the

direction of providing for greater Asiatic representation on the I. L. O. Governing Body. With these words, I generally support the Hon. Pandit Kunzru's amendment.

THE HON. MR. S. LALL: Sir, I have listened to this debate with very great interest. I may say at once that I am in wholehearted agreement with the principles underlying the amendment moved by my Hon. friend Pandit Kunzru. An international labour organisation must be international in the true sense of the term; it must be no monopoly of particular races. It must include all countries and give fair rights and due share to each. I am also in entire agreement with what my Hon. friend said that the public had a right to expect complete information as to how an international organisation conducts its affairs. There must be no concealment of facts. With that object in view, I should like to tell the House that in the Labour Department we are now contemplating bringing out an annual year book which will give up-to-date information on all labour matters. I propose that in this year book, and if not in this year book at least in the Labour Gazette which we are already publishing, we should give detailed information about the contributions that are made to the I.L.O. and about the composition of the staff of the I. L. O. I am sure this information will be useful, and it will be open to members of the Legislature to criticise or to make comments on the facts as revealed in the year book. In criticising the I. L. O. we must take into account their difficulties. The war certainly did make a difference. I know that when the Director of the I.L.O. came here in 1937 he was very keen on giving Asia its due place in the International Labour Organisation. Unfortunately, the war came only a year and a half after his visit and much that he contemplated could not be given effect to during the 6 years of the war. I agree that agricultural labour must also receive consideration in the International Labour Organisation. I should like to tell the House that there is a permanent Committee attached to the Governing Body, known as the Permanent Committee on Agriculture and India has a representative on that body.

THE HON. PANDIT HIRDAY NATH KUNZRU: Are the Government of India satisfied with that?

THE HON. MR. S. LALL: I believe, Sir, there are 2 Government representatives, 2 workers' representatives and 2 employers' representatives. The other representatives on the Committee are experts. Of the 2 Government representatives, India has one. I should like to see more of the future working of this Committee before I can express a view as to whether from the point of view of India I can say confidently that I am satisfied——

THE HON. PANDIT HIRDAY NATH KUNZRU: What I want to know is whether the Government of India regard it as a good substitute for Regional Conferences.

THE HON. MR. S. LALL: No, Sir, certainly not. I was merely pointing out that the I. L. O. have a special committee for agriculture. I do not say that this is an adequate substitute for the Regional Conferences. Whilst recognising the difficulties of the I. L. O. I am quite alive to the fact that having regard to the scale of our contribution which, as my friends have already pointed out, is third in the world, having regard further to the punctuality with which we pay our contributions and also having regard to the fact that from the point of view of population we are a very important member of the I. L. O., I certainly agree that our interests do not receive the consideration that they deserve and there are many points in which we should press for greater consideration to India and to Asia. The points on which I think we have a case for serious consideration are, firstly, that we are given very little time to consider questions that come for decision of the Labour Conference. It is alright in the case of Europe and America where papers are received fairly soon. But when they come to India, they take a very long time and very often we have hardly been allowed any time to express our views. I think it is very necessary to impress upon the I. L. O. that we cannot go on at this rate. We must be given time to think over matters. As an instance I may say that this publication, which deals with the future amendments of the Constitution and the Report of the Conference Delegation on Constitutional questions was received by air mail only on the 3rd of this month and we have to express our views on this almost immediately to the I. L. O. and also to our representative on the Governing Body.

THE HON. PANDIT HIRDAY NATH KUNZRU: Will the Report be published and also sent to the principal Labour Organisations in the Country?

THE HON. MR. S. LALL: The Report will be published and it will in due course be available to everybody. But the point is, it has just come out and this is the first copy which has come by air mail to us. We have to work on this single copy at very great speed and in very short time. That is my complaint.

THE HON. PANDIT HIRDAY NATH KUNZRU: Will the Government of India take immediate steps to have the Report published in this country and sent to the Labour Organisations and also to the Members of the Legislature?

THE HON. MR. S. LALL: The Report will shortly be available to every one who may care to study it. This is only an advance copy that has come and we shall no doubt get many more copies. Not only the Government of India have but also the Director of the I. L. O. at Delhi will have share copies. But it takes time for these Reports to come. This is an air mail copy on which we have to work immediately.

The second point on which we should insist is that we must have better representation on the staff of the I. L. O. This is a point which was taken up before the War and it is a point which we will have to continue to take up. As my friends know, the I. L. O., are now recruiting two more officers from India and I understand that they are going to appoint an Indian as an Assistant Director. I agree that this is not enough and we must continue to press for better representation of Indians and Asiatics on the staff of the I. L. O. As regards the Governing Body itself I also feel that there is a very strong case for a better representation of Asiatics in general and also Indians.

Many Hon. Members have rightly pointed out that there should be a more detailed study of Asiatic problems and that a Regional Conference should have been convened in Asia in the same way as Regional Conferences were convened in America. The idea of an Asiatic Regional Conference was mooted some time ago and I am glad to say that an invitation was sent to the I. L. O. to hold a Regional Conference in India. I understand the matter is now under very active consideration and if all goes well, I hope that in 1947 we shall have one, or may be two Asiatic Regional Conferences. I feel that in addition to the Regional Conference, we require a Regional office in Asia. The I. L. O. was concentrated before this war in Geneva. After that, it has been split into two places, a small part remaining in Geneva and the major portion going to Montreal in Canada. If, as I think is likely, there will be two offices, one in America and one in Europe, I think it would be desirable for us to press that there should be a self contained office in Asia as well. In making this suggestion, I must at the same time acknowledge the fact that the I. L. O., have been trying to help us by loan of experts to mine our schemes. We had three members of the I. L. O. staff who came to India and who helped us to draw up our Health Insurance schemes. I can assure the House that these points will not be overlooked by Government and when the amendments are examined, these are the principles which will be borne in mind in putting our case to the I. L. O. I can also undertake on behalf of Government to keep the House informed of developments and to send a copy of the debates of this House to the I. L. O., so that they can know what the feelings are in India. In the circumstances it is clear that it will be impossible for me to oppose the amendment. But at the same time I must point out that the amendment, though it raises a very important question of policy and principle, and though it will be very useful for future guidance, is not directly relevant to the amendments which are now under consideration. The exact amendment of the constitution will require examination and the amendment suggested by my Hon. friend may require reconsideration.

THE HON. PANDIT HIRDAY NATH KUNZRU: You say that the actual amendment might require reconsideration. In what respect would it require reconsideration?

THE HON. MR. S. LALL: I do not wish to go into the details. The actual amendment says that on the Governing Body the reservation will be 6 seats for the Government group. In the Governing Body, India and China are two of the eight States of chief industrial importance and therefore they have a right to a

permanent seat on the Governing Body. Therefore that leaves 4 more seats on the Governing Body. The only other 4 Asiatic countries on the I. L. O., excluding Turkey are Iran, Iraq, Thailand and Afghanistan. If the amendment is accepted, it will mean that Iran, Iraq, Thailand and Afghanistan will have the same position as states of chief industrial importance. They will have the right to permanent seats on the Governing Body, because there are no more Asiatic countries which are members of the I. L. O. It is a position which may not be accepted at the Conference. On the other hand, there may be some other way of securing effective representation for Asia. For that reason I do not wish to commit Government to any particular amendment. The point requires very careful examination. But the principle is accepted and that principle will be borne in mind when we make our recommendations to the Governing Body and to the Conference.

THE HON. THE PRESIDENT: You must tell me definitely whether you are going to accept the amendment or not. It is no use saying you are not going to oppose it. You must make up your mind whether you are going to accept the amendment or not.

THE HON. MR. S. LALL: My position is very difficult. If the amendment were suitably modified towards the end to give adequate representation to Asia, I will accept it without reservation. If complete acceptance is required, I would substitute for the words "6 seats in the Government group, 2 seats in the employer's group and 2 seats in the workers' group to Asiatics" the words "an adequate number of seats to Asiatics." There must be adequate number of seats in all categories and that has to be worked out on a fair basis. It is very difficult to accept any particular figures as to the number of seats to be reserved.

THE HON. PANDIT HIRDAY NATH KUNZRU: What would be the test of adequacy? Are you going to press for more?

THE HON. MR. S. LALL: Certainly, Sir, for the maximum number we can get.

THE HON. PANDIT HIRDAY NATH KUNZRU: Are you going to press for more than 10 members?

THE HON. MR. S. LALL: It may be that we may have to press for more in the employer's and workers' groups. It is a matter of negotiation, and I would request my friend not to tie me down to any particular figures, because in negotiations you do not know what you can get; and if you put down any definite figures, it may create an impression that we are asking for something which is impossible.

THE HON. THE PRESIDENT: I think your object would be served if you say "an adequate number of seats to Asiatics."

THE HON. PANDIT HIRDAY NATH KUNZRU: I do not want to fetter absolutely the discretion of the Government of India in dealing with this matter by suggesting the form in which the representation should be secured; but the word "adequate" suggested by my Hon. friend Mr. Lall seems to me to be utterly unsatisfactory.

THE HON. MR. S. LALL: Will you suggest some other wording without mentioning a definite figure!

THE HON. PANDIT HIRDAY NATH KUNZRU: I would suggest this, if the amended Resolution is acceptable to the Government, that much more substantial representation should be secured for Asia on the Governing Body than has been allotted to her at present.

THE HON. MR. S. LALL: I am prepared to accept that gladly.

THE HON. PANDIT HIRDAY NATH KUNZRU: This amendment will bring out my meaning and at the same time satisfy Mr. Lall: "the Government of India should urge the International Labour Organisation to safeguard the interests of Asia by securing a larger proportion of seats for India and the other Asiatic countries on the Governing Body than is allotted to them at present."

THE HON. MR. S. LALL: I accept that.

THE HON. THE PRESIDENT: I will put the original Motion and the amendment to the House.

Amended Resolution moved :—

"This Council recommends to the Governor General in Council that the Instrument for the Amendment of the Constitution of the International Labour Organisation as adopted at the 27th Session of the International Labour Conference held at Paris in October 1945, be ratified by the Government of India and that in the further constitutional reforms of the International Labour Organisation now being considered, the Government of India should urge the International Labour Organisation to safeguard the interests of Asia by securing a larger proportion of seats for India and the other Asiatic countries on the Governing Body than is allotted to them at present."

Question put and Motion adopted.

HINDU MARRIED WOMEN'S RIGHT TO SEPARATE RESIDENCE AND MAINTENANCE BILL

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern: Non-Muhammadan): It is already 25 minutes to five, Sir. I suggest that we take up this Bill tomorrow or some other day.

THE HON. THE PRESIDENT: What is the Council's desire? Do they wish to proceed with this Bill or we stop at this stage and take up this Bill and the Mica Bill on some other day?

THE HON. MR. V. V. KALIKAR (Central Provinces: General): It is a very controversial Bill, Sir, and we shall take a lot of time. We had better postpone it to some other day.

THE HON. THE PRESIDENT: You may take a lot of time but you must know that these are the last days of the session.

THE HON. MR. M. THIRUMALA ROW (Madras: Non-Muhammadan): As the Bill has been lying on the table for a very long time we suggest that the Bill be proceeded with immediately. The Bill may be moved and we proceed with it.

THE HON. PANDIT HIRDAY NATH KUNZRU: Could the Leader of the House kindly allot a day for discussion of this Bill and could he give us tomorrow, the 16th, for the purpose?

THE HON. SIR MAHOMED USMAN (Leader of the House): Tomorrow or the day after.

THE HON. PANDIT HIRDAY NATH KUNZRU: Tomorrow, I think, will be better.

THE HON. THE PRESIDENT: Then I will adjourn the Council till tomorrow.

THE HON. SIR DAVID DEVADOSS (Nominated Non-Official): May I ask whether there will be a meeting after the 18th?

THE HON. THE PRESIDENT: We have to discuss this Bill and the Mica Bill which was laid on the table today.

THE HON. MR. P. N. SAPRU (United Provinces Southern: Non-Muhammadan): Will the 18th be the last day of the Council?

THE HON. SIR MAHOMED USMAN: Tomorrow we proceed with this Bill and we shall again adjourn till the 18th, when we hope to finish.

THE HON. SIR DAVID DEVADOSS: Will the 18th be the last day? That is all we want to know.

THE HON. SIR MAHOMED USMAN: As far as I can see at present, the 18th will be the last day.

THE HON. MR. SURPUT SINGH (West Bengal: Non-Muhammadan): Sir, I have been fasting and tomorrow I will have to perform my *puja*. I shall be grateful if you will kindly postpone a discussion of this Bill till the day after tomorrow.

THE HON. THE PRESIDENT : But I must look to the general convenience of the House.

THE HON. MR. V. V. KALIKAR : The 17th will be better.

THE HON. THE PRESIDENT (to the Hon. (Pandit Kunzru) : Do you want to have a discussion tomorrow or on the 17th ?

THE HON. PANDIT HIRDAY NATH KUNZRU : If my Hon. friend Mr. Surput Singh can come some time tomorrow we will finish the discussion of the Bill tomorrow.

THE HON. MR. SURPUT SINGH : I have been fasting for nine days. Tomorrow is the last day. If you all agree, we take up this Bill day after tomorrow.

THE HON. PANDIT HIRDAY NATH KUNZRU : I agree to the postponement till the 17th.

THE HON. THE PRESIDENT : As the general opinion of the House is that we should take up this Bill day after tomorrow, I will adjourn the Council till the 17th. Has the Leader of the House any objection ?

THE HON. SIR MAHOMED USMAN : I have no objection, Sir.

The Council then adjourned till Eleven of the Clock on Wednesday, the 17th April, 1946.

COUNCIL OF STATE

Wednesday, 17th April, 1946

The Council met in the Council Chamber of the Council House at Eleven of the Clock, the Hon. the Chairman (the Hon. Mr. M. N. Dalal) in the Chair.

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 a copy of the Bill to constitute a fund for the financing of activities to promote the welfare of labour employed in the mica mining industry which was passed by the Legislative Assembly at its meeting held on the 15th April, 1946.

HINDU MARRIED WOMEN'S RIGHT TO SEPARATE RESIDENCE AND MAINTENANCE BILL—*contd.*

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): Debate will now proceed on the Hon. Pandit Kunzru's Motion on the Hindu Married Women's Right to Separate Residence and Maintenance Bill.

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern: Non-Muhammadan): Sir, I moved the Motion that stands in my name on the 8th instant. I had no time then to state the grounds on which I have placed this Motion before the House. The Bill is a very simple one. It has come to us from the other House. Its sponsor, Dr. Deshmukh, brought forward a similar Bill in 1940 or 1941. It was considered by the Hindu Law Committee in 1941. That Committee recommended that as it was not desirable to have piecemeal legislation, Dr. Deshmukh's Bill, however good it might be, ought to be held up till we could have a complete picture of Hindu law as it would be after the completion of the labours of any committee that might be appointed by the Government to draft a Hindu Law Code.

The matter was debated in this House, and in accordance with the views expressed in the Legislature, Government appointed a committee to draft a Code embodying the main principles of Hindu law. The report of this Committee is before us. The Committee, after drafting the Code, circulated it to leading lawyers in India, and it says:

"This draft has been largely revised in the light of the criticisms received and is now published for general information".

The House will thus see that, although the final report of the Hindu Law Committee is not yet available the provisions embodied in the draft Code before us have already been subjected to criticism and revised in the light of the opinions received from leading lawyers. It can therefore be said that the grounds given in the Code which entitle a Hindu woman to live separately from her husband without forfeiting her right to maintenance are such as, generally speaking, have the support of enlightened Hindu opinion.

Now, the House would, I am sure, like to know what are the grounds on which the Hindu Law Committee would give the wife a right to separate residence and maintenance. These grounds, to quote the language of the Committee, are as follows:—

"A Hindu husband is bound to maintain his wife while she lives with him:

Provided that she shall be entitled to live separately without forfeiting her claim to maintenance from him—

(*a*) if he is suffering from a loathsome disease not contracted from her;
(*b*) if he keeps a concubine in the house;
(*c*) if he is guilty of such cruelty as to render it unsafe or undesirable for her to live with him;
(*d*) if he is guilty of desertion, that is to say, of abandoning her without her consent or against her wish;
(*e*) if he ceases to be a Hindu by conversion to another religion;
(*f*) for any other justifiable cause".

[Pandit Hirday Nath Kunzru]

Now, any one who compares the provisions of the Bill before us with the grounds on which the Hindu Law Committee would allow a wife to live separately from her husband and at the same time be able to claim maintenance will see that they are, except in one respect, the same as those recommended by the Hindu Law Committee.

It will thus be seen that the Bill before us is not an immature measure trying to bring about radical changes which have not received adequate consideration. The one important respect in which the Bill before us departs from the provisions laid down in the Hindu Law Committee's report which I have already read out is that it gives a woman the right to live separately from her husband and at the same time claim maintenance if he marries again. Now, it may be said that this is a very important change and that it is being brought about contrary to the opinion of the Committee. But such an opinion would be entirely erroneous, for the Committee, when dealing with the requisites of a sacramental marriage, have said that one of the conditions which must be satisfied by a sacramental marriage is that "neither party must have a spouse living at the time of the marriage". We thus see that in this respect also the Bill before us follows the recommendation of the Hindu Law Committee.

It may be said by those who object to this provision that although this might have been the opinion of the Committee.

"Is there any evidence to show that it has received the support of those members of the Hindu community who are in a position to express opinions on his point ?"

I will refer to the Report of the Hindu Law Committee, 1941, in order to inform the House that the Committee received opinions from various sections of the Hindu community on this point. It says :—

"The majority of the opinions received are in favour of making a second marriage null and void if there is a valid marriage subsisting at the time ; in other words, in favour of nullifying bigamous marriages altogether".

This shows that a majority of the Hindus who were consulted in regard to this matter were in favour of the principle which the Bill before us seeks the approval of the House for. The Committee in its second Report has added the following explanation to Chapter II, clause 26 of the Code, the provisions of which I have already referred to :—

"The provisions of this section shall also apply to marriages celebrated before the commencement of this Code".

It is clear, therefore, that the authority of the Committee can be cited in favour of every provision of the Bill before us.

I shall go further and say, Sir, that the Bill, however distasteful it may seem to some members of the Hindu community is really not trying, except on the one point to which I have just referred, to bring about any reform in Hindu law at all. It is merely trying to codify the existing practice. It takes the decisions of the High Courts as they are now and brings them all together so that we may all know the grounds on which the wife can claim the right to separate residence and maintenance. The task of the Courts may be lightened if this is done. If the law as it stands is codified, it will be simplified ; it will be understood by the Hindu community in general and I think it will enable the Judiciary also to know better the principles on which it is expected to proceed. My own opinion on this point is worth nothing. I shall, therefore, again turn to what the Hindu Law Committee of 1941 has said with regard to the provisions that I have already dealt with :—

"Some of these grounds are already recognised by the Courts as sufficient to found such a claim, *e. g.*, where the husband suffers from leprosy or similar disease or is guilty of cruelty, or changes his religion. The case of venereal disease would probably be covered by cruelty, as in England. Lunacy also may be held to be covered by certain other words of the same text (Manu, Chapter IX, 79) that has been relied upon for admitting leprosy as a ground, although there have been differences of opinion on this point".

The Committee further says that there are other grounds on which a claim to separate maintenance can be sustained for instance, the keeping of a concubine by the husband in the House. If we consider these matters, Sir, we see that the Bill before us is not an unconsidered and hasty measure. The sponsor of the Bill Dr. Deshmukh, waited for 4 or 5 long years before bringing up his old Bill in a modified form, and when doing so he profited by all the recommendations of the

Hindu Law Committee to which I have already referred. Let me say this that while it is true that the Committee's recommendations have not assumed their final shape, I think we may feel with some degree of confidence that whatever verbal changes may be made here and there, the provisions as a whole are not likely to be modified in any important respect. Apart from this, Sir, the Report of the Hindu Law Committee of 1941 shows, as I have already pointed out, that the grounds on which the Committee would be willing to allow a woman the right to live separately from her husband and claim maintenance are such as have already been recognised by the Indian High Courts. Even if this Bill were today thrown out by the House, none of the grounds on which according to it a Hindu wife can claim the right to separate residence and maintenance would be affected except that of her husband taking a second wife.

THE HON. MR. P. N. SAPRU: Even that point is covered by the doctrine of mental cruelty.

THE HON. PANDIT HIRDAY NATH KUNZRU: My Hon. friend Mr. Sapru, who is well conversant with the principles underlying Hindu law says that that too might be covered by the existing provisions if cruelty were interpreted as meaning mental cruelty also. I hope therefore, Sir, that those gentlemen who do not like the provisions of the Bill will see that, whatever they may think of those provisions, they are being acted upon already. Is there any advantage then in opposing them now? Is there not, on the other hand, a great advantage in codifying the law for the benefit of the judiciary in particular and the Hindu community in general.

Apart from this, Sir, we have to take society as it is and the progressive changes which have been made in Hindu law in course of time. Whenever we are called upon to consider the general principles of Hindu law, we maintain that it is the glory of Hindu law that the Hindu lawgivers and commentators have tried to adapt it from time to time to changing circumstances and that it has thus been a living law meant not to impose rigid, formal and meaningless restrictions on society, but to serve its needs and to enable it to advance. If we are really sincere in praising Hindu law, we ought to realise the need for bringing about further changes in it in accordance with the changes that have taken place in Hindu society as a result of the spread of education among men and women and the general changes that have taken place all over the world, psychological, social and material. We cannot, Sir, while society as a whole is advancing, while we claim rights for the suppressed classes, while we stand up for the equality of the working classes with the rest of the population, ignore the rights of Hindu women and leave them in a depressed condition. We cannot educate our girls and at the same time disregard their self-respect. We cannot bring them up under conditions which enable them to think for themselves and have a will of their own and at the same time say that their feelings and sentiments shall not count in the future conduct of their lives and that they shall be bound by the views of the most orthodox section of the Hindu community which generally relies on the letter of the law or the dry husk of custom and ignores the value of human life and personality. I trust, Sir, that whatever differences there may be amongst us today with regard to any particular provision of the Bill, we shall all agree that Hindu women are entitled to equal rights with Hindu men and that our society should be based on the principles of justice and freedom, so that it may not merely endure but truly live and grow from strength to strength. Sir, I move.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): Hon. Members, before we proceed to the consideration stage of this Bill, I must inform you that there are two amendments by the Hon. Mr. Kalikar, one for re-circulating it for public opinion and the other for re-forwarding it to a Select Committee. There have been a number of rulings that when a Bill has been circulated for public opinion by the other House, there is no provision whatever for a Motion to re-circulate the Bill in the second Chamber. I quote here the ruling of Sir Henry Moncrieff-Smith, a distinguished President of the Council of State. On the 22nd March, 1926 Sir Henry Moncrieff-Smith ruled thus:—

"There is no doubt I think that it is laid down that when a Bill has been passed in one Chamber, whether in the course of its passage through that Chamber the Bill was referred to a Select Committee or a Joint Committee or whether there was a Motion in that Chamber that the Bill should be circulated for opinion, when the Bill having been passed, comes to the second Chamber, there is no provision whatever for a Motion in that Chamber for re-circulation of the Bill".

[Mr. Chairman]

I therefore rule the first amendment out of order.

As regards the second amendment, rule 29 of Appendix II of the Indian Legislative Rules says :

"Any member may (if the Bill has not already been referred to a Select Committee of the originating Chamber or to a Joint Committee of both Chambers, *but not otherwise*) move as an amendment that the Bill be referred to a Select Committe ".

The Bill has been referred to a Select Committee in the originating Chamber. Therefore the amendment is not in order.

THE HON. MR. V. V. KALIKAR (Central Provinces : General) : I bow to your ruling, but the Bill is of such great importance that it should have been referred to a Joint Select Committee. I am entitled to have this amendment moved.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) : The rules are quite clear. It has been referred to a Select Committee in the other House. Therefore you cannot again ask for a Select Committee in this House.

THE HON. MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan): However regrettable it may be that it has not been referred to a Joint Select Committee, the rule is clear on that point.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) : The rule is quite clear. You cannot ask again for a Select Committee in this House.

THE HON. MR. P. N. SAPRU : The Hon. Mr. Kalikar did not have any facility to serve on that Select Committee.

THE HON. PANDIT HIRDAY NATH KUNZRU : May I, with your permission, read out rule 29 of the Indian Legislative Rules :—

"Any member may (if the Bill has not already been referred to a Select Committee of the originating Chamber or to a Joint Committee of both Chambers, but not otherwise) move as an amendment that the Bill be referred to a Select Committee ".

Therefore Sir, the Bill was referred to a Select Committee or to a Joint Select Committee, no Motion that it should be referred to any kind of Select Committee can be made here.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) : The rule is perfectly clear. It does not require any further discussion. We shall now proceed with the consideration stage.

THE HON. MR. V. V. KALIKAR : There are several amendments.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) : They will be taken up at the second reading when we come to the Bill clause by clause.

THE HON. MR. V. V. KALIKAR: Sir, in view of the rulings given by you just now, I have no other course left but to oppose the consideration of the Bill. My Hon. friend has cited quotations from the Report of the Hindu Law Committee and so I also want to cite quotation to show that the Hindu law Committee is against piecemeal legislation. They want to bring the whole picture before the House ; they are against encouraging legislation of this type in the Central Legislature. Government appointed a Hindu Law Committee. That Committee produced 2 or 3 Bills, the Hindu Intestate Succession Bill, Marriage Bill, and other Bills. After that the same Committee was revived by a Resolution of my Hon. friend Mr. Mahtha in the year 1943 or 1944 and that Committee toured some of the provinces, took oral evidence and they produced a draft Code. The draft Code is a different thing from a final Code. They have yet to produce a final Code. They have yet to take evidence in some of the provinces. So, Sir, the argument advanced by my friend does not hold good in this case.

Now, Sir, my complaint against Government is that they ought to have opposed this piecemeal legislation in the other House ; instead of remaining neutral; they ought to have opposed it on the very ground that they are committed to the principle of having a full picture before the Central Legislature. It is no use, Sir, stating in my own words because some of my friends may not attach importance to my own words but for the information of the House I will read what the Hindu Law Committee says :—

"Hindu law is a complicated organic structure, the various parts of which are interconnected, so that an alteration of one part may involve the alteration of the other ".

That shows, Sir, that the Hindu Law Committee thinks that the Hindu law which affects the rights and privileges of nearly 28 crores of Hindus in India should not be amended piecemeal and that there should be no inroads on the rights of Hindus by such piecemeal legislation.

Sir, my Hon. friend has cited some quotations from the report of the Hindu Law Committee. I will, with the permission of the House, and with your permission, Sir, place before the House in their own words what they say about this piecemeal legislation on page 10 of their report. They say :—

"The only safe course is not to make any fundamental changes by brief, isolated Acts ; if fundamental changes have to be made, it is west to survey the whole field and enact a code, if not of the whole of Hindu law, at least of those branches of it which are necessarily affected by the contemplated legislation".

They further state their objections on page 12 with reference to the two Acts that were passed in a hurry by the other House—I mean the Hindu Women's Right to Property Act and the Hindu Women's Right to Property (Amendment) Act of 1937 and 1938. I may inform the House that these Acts were referred by the Governor General to the Federal Court and the Federal Court and almost all the High Courts in India declared that the Acts were defective and the Federal Court decided that the Act are applicable only to non-Agricultural land and not applicable to agricultural land. That was the first defect in that Act which the Federal Court mentioned in its judgment. A discussion of these two Acts will be found from pages 6 to 12 of the Hindu Law Committee Report but I will only read a portion :—

"..We are impressed by these opinions and precedents and we consider, therefore, that an attempt should be made towards gradually codifying Hindu law for British India. We do not regard the existence of various Schools of law in the several Provinces of India as an insuperable obstacle to codification. Codification does not necessarily mean the abolition of the Schools ; the aim should be uniformity where possible and divergence where inevitable".

Now, Sir, about this particular Bill of Dr. Deshmukh, I know that this was introduced in the year 1939. It was not circulated as such but with the other Bills prepared for the Hindu Code this Bill was also circulated for public opinion by the Law Committee and not by the Central Legislature. Sir, about this particular Bill the Hindu Law Committee says on page 22 of their report :—

"There remains Dr. Deshmukh's Bill for granting separate residence and maintenance to a married woman in certain circumstances. Most of the circumstances specified in the Bill are such that even under the existing law a married woman has this right. The one important case in which she has no such right at present and in which the Bill seeks to give her the right is where her husband takes a second wife. The majority of opinions received by us are in favour of making a second marriage null and void if there is a valid marriage subsisting at the time ; in other words, in favour of nullifying bigamous marriages altogether. A certain number of others do not wish to go quite so far, and are content with the provision made in the Bill that where the husband takes a second wife, his firt wife should have the right to separate residence and maintenance. Except perhaps a few, the advocates of the total abolition of polygamy would probably favour the provision in the Bill, if abolition is not immediately practicable. In accordance however, with our bias against piecemeal legislation, we think that this Bill also, with all the issues which it raises should await the general review of the *law of mrriage* (mark these words) which we have proposed as part of the process of codification".

Sir, four years ago, when the Hindu Intestate Succession Bill was before this House I referred to the question of the general codification of the Hindu law and at that time also I opposed the piecemeal legislation, and I am also opposing it today on the ground that if there is piecemeal legislation it will create so many difficulties. It will affect the rights of so many people. It will be very difficult for even the High Courts and the Privy Council to give decisive judgments in matters which are before them.

Sir, I appeal to the House that the House is committed to the view that there ought to be no piecemeal legislation by reviving the Hindu Law Committee and as the Hindu Law Committee has been revived, as the Hindu Law Committee has already framed a draft Code, and as they are already in the process of preparing a final Code, I would request my Hon. friend Pandit Kunzru to await it.

Now, my Hon. friend Pandit Kunzru has stated that Dr. Deshmukh has waited for five years and therefore he was entitled to bring the Bill before this House. Now,

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Sir, I would cite the example of Switzerland. In Switzerland they took from 1874 to 1912 to frame a Code of their Civil Law. I will read, Sir, from the report of the Hindu Law Committee to show what they say about the impatient reformer. They say :—

"To the impatient reformer we would commend the example of Switzerland in evolving the present Swiss Civil Code. Until 1874, Swiss Civil Law was in the hands of the Cantons of which the Federation is composed. By the Federal Constitution Act of that year, power was given to the Centre to enact legislation on certain branches of Civil Law ; but with the exception of these branches, Civil Law remained with the Cantonal authorities. It varied greatly in different parts of the country ; French Law pre-dominated in certain Cantons ; Austrian Law in certain other Cantons ; German Law in yet others ; and in the rest, customary law modified by occasional statutes. The inconvenience resulting from this want of uniformity became more and more acutely felt as inter-Cantonal relations developed ".

"Accordingly, in 1898 the Constitution was amended so as to authorize the Central Legislature to unify the whole of the Civil Law in Switzerland. In the meantime, a great jurist was commissioned to prepare a preliminary draft which occupied him from 1893 to 1899. The draft was published, and another Commission was appointed to consider the criticisms received and to revise the draft. This Commission consisted not only of jurists, but also representatives of all sections of thought in Switzerland, sub-Committees being formed to consider certain parts of the code. Not until 1904 was the final draft submitted to Parliament. The debates in Parliament continued for three years. Finally, in 1907 the code was passed by a unanimous vote in both Houses. But it did not come into force until January 1, 1912 ".

So, you will see, Sir, that even in a small country like Switzerland, where the people are more educated than we are, they took such a long time to prepare a final code regarding their personal law. I therefore submit that Dr. Deshmukh or his friends the so-called reformers, or my Hon. friend the leader of my Party, Pandit Kunzru, should wait for some time till the Hindu Law Committee, which consists of experts who are going to take evidence not only from reformers but also from Pandits and from those who hold orthodox views and then frame the Code, completes its work. My Hon. friend should wait till then and the Bill should not be passed by this House.

Now, Sir, Pandit Kunzru has said much about Dr. Deshmukh, and I will cite one or two instances to show how impatient and ignorant he is. In the Statement of Objects and Reasons Dr. Deshmukh says :—

"Even with regard to elementary rights of human beings, the position of a Hindu married woman is deplorable ".

Now, Sir, my Hon. friend has already admitted, by citing certain cases, that even under the existing law a Hindu married woman is entitled to separate maintenance under certain conditions. Then, how does he say that a Hindu married woman is not given the elementary rights of human beings. (*Interruption.*) I did not disturb my Hon. friend Pandit Kunzru when he was speaking, and I will not disturb my friend Mr. Sapru when he speaks. If my friend wants to indulge in irrelevancies, I do not mind ; he is after all my friend.

Sir, I need not repeat the cases that have already been cited by my Hon. friend Pandit Kunzru, but I will read some extracts from Sarkar's Hindu Law to show that under the present Hindu law a married woman is entitled to the right of separate maintenance and separate residence under certain conditions. On page 530 of Sarkar's Hindu Law it is stated :—

"It has already been said that the wife is bound to reside with the husband ; she cannot claim separate maintenance except for such ill-treatment as would amount to cruelty in the estimation of an English Matrimonial Court, and when she declines to live with him on account of his being a leper. But if the husband refuses to receive the wife into his house without sufficient cause, or the husband is guilty of continued neglect or abandonment, she is entitled to separate maintenance ".

That is the law as it at present exists. It gives her that right. Then where is the necessity for this Bill ? I think, Sir, that Dr. Deshmukh is ignorant of the rights which a married woman enjoys under the present law. If he is ignorant, that does not mean that he should bring in legislation which has far-reaching effects on the structure of Hindu society.

Sir, my Hon. friend Pandit Kunzru has stated that leading lawyers have given their general support to the draft Code.

THE HON. PANDIT HIRDAY NATH KUNZRU: I did not make that statement. What I said was that the draft Code had been revised in the light of the opinions received from the leading lawyers to whom the Code was referred by the Hindu Law Committee.

THE HON. MR. V. V. KALIKAR: So, the Hon. Member does not say that the leading lawyers have given their general support to the draft Code?

THE HON. PANDIT HIRDAY NATH KUNZRU: It appears so, but I did not use those words.

THE HON. MR. V. V. KALIKAR: I have taken down the Hon. Member's words, that leading lawyers have given their general support.

Now, Sir, supposing the leading lawyers have supported the draft Code, it is not only the leading lawyers who are going to be affected by the draft Code. The framers of the Code have recognised the importance of approaching other people, taking their views on the draft Code and then submitting the final Code. What is the use of bringing forward this argument that the draft Code was formed on the general support of leading lawyers? It is not a question of educated Hindu women and men that has to be decided by this House. This House has to decide the rights and the liabilities of teeming millions of India who are uneducated. I challenge my Hon. friend Pandit Kunzru to take a plebiscite of the uneducated people, men and women of India, on the question whether they approve of this sort of legislation. (*Interruption.*) I have taken it in my own village, not in the whole of India.

THE HON. MR. P. N. SAPRU: You will fail.

THE HON. MR. V. V. KALIKAR: It is not a question of failure or success. Your first duty is to educate the masses.

THE HON. MR. P. N. SAPRU: Which you will never do.

THE HON. MR. V. V. KALIKAR: Your first duty is to educate the masses in such a way that they will be able to realise the importance of such reforms. It is no use saying that because Hindu men and Hindu women who are educated like such a Code, such legislation should be passed.

Then, Sir, my Hon. friend said that the Bill was not an immature measure. The Acts of 1937 and 1938 dealing with the right of Hindu women to property were declared by the Federal Court to be immature measures. This Bill is so imperfect that it will be very hard for any court of justice to meet out justice to people under the present Bill if this Bill is passed in its present form. The House knows that the Central Legislature as well as the Provincial Legislatures have got concurrent powers to legislate on these matters. When the Hindu Law Committee consulted the Provinces, in many of the Hindu majority Provinces there were no Governments. Fortunately, now, in some of the Provinces Governments have been established. They have got their own Councils and Assemblies. The first duty of the framer of any legislation of this type is to approach the Provinces and take their view and then make up his mind whether to get legislation passed by the Centre or not. In this case, my Hon. friend Dr. Deshmukh introduced this Bill in this session in February, 1946 and in a great hurry he got it passed in the other House. This is not democratic. If really you want to stick to democratic principles, then you must show some respect for the views of others. Practically all the Hindu Provinces have got their Councils. It was his duty to send the Bill to those Congress Governments. My point is that the Hindu Law Committee consists of experts. They should decide on this and other Bills. They should frame a full Hindu Code and present a full picture before the House and then the House should pass it or reject it. When there are so many Congress Governments in so many Provinces, Dr. Deshmukh ought to have sent his Bill for circulation. He ought to have got opinions of the Provincial Ministries, and then he ought to have made up his mind to get this Bill through in the Central Legislature. It is no use passing this Bill in

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a hurry when you have not consulted the Provinces. I submit that the Government of India ought to have opposed this Bill. They ought not to have remained neutral and even reformers like Dr. Deshmukh or my Hon. friend Pandit Kunzru ought to have allowed the Bill to go for circulation and ought to have taken the opinion ofthe Provincial Legislatures and Ministries or they ought to have allowed the Bill to be handled as fully as possible by the Hindu Law Committee. My point is that the Bill ought to have been handled by the Hindu Law Committee and not anybody else.

THE HON. MR. M. THIRUMALA ROW: What about the merits of the Bill ?

THE HON. MR. V. V. KALIKAR: I am coming to the merits of the Bill. You need not be in a hurry about it. Clause 2 of this Bill says :

"Notwithstanding any custom or law to the contrary, a Hindu married woman shall be entitled to separate residence and maintenance", and so on.

There are certain customs to the contrary. There is nothing in the present law which forbids a Hindu woman from being entitled to separate residence and maintenance. I have just read to you the quotation from Sarkar. If Dr. Deshmukh is out to cast aspersions on our old Hindu law, on our Hindu scripture, on our old traditions, nobody can prevent him from doing so. But if he wants to be convinced, he should have studied Yajnyavalka and Vachanspati. He would have found that the law as it stood entitled married women for separate residence and maintenance under certain conditions. What is the use of saying : "In spite of law to the contrary or custom to the contrary" ?

I now come to the clauses. I do not want to refer to them in particular but I will refer to them in general. He has made provision about loathsome disease—

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): Don't you think that you can take these up when we discuss the Bill clause by clause ?

THE HON. MR. V. V. KALIKAR: I am referring only generally. My Hon. friend Mr. Thirumala Row asked what I had to say on the merits of the Bill. I will not refer to any particular clause. I will make a general statement. The word "loathsome" has not been defined in the Bill. I will put a hypothetical case before the House. Suppose a man is suffering from itches or eczema. That is a loathsome disease. If the Bill is passed as it stands, a Hindu married woman will have a right to separate residence and maintenance under this Act because the wording is : "if he is suffering from any loathsome disease not contracted from her."

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): That will be for the Court to decide.

THE HON. MR. V. V. KALIKAR: The Court must decide but the court will only interpret the law as it stands. The Court cannot resort to the Statement of Objects and Reasons. The Court cannot take into consideration the speeches made in this House in giving a judgement. The Court will have to decide under this Act that because a man is suffering from a loathsome disease, the woman is entitled to separate residence and maintenance. Eczema is a loathsome disease ; itches is a loathsome disease. The framers of the law ought to have defined the word. Take the case of a man who is cured of that loathsome disease, eczema or itches. What will be the position of the man who wants his wife back again ? The decree of the court stands that she will have the right to separate residence and maintenance. She has been separated from him and she is staying in a separate house and has got maintenance from the man. The man is cured. What does this clause mean ? Will it encourage the man to have a second wife or keep a concubine ? If the man brings a suit for restitution of conjugal rights because he is cured, she can plead a valid defence that she has already got a decree for separate residence and maintenance.

THE HON. PANDIT HIRDAY NATH KUNZRU: Not at all. You have not read the Bill.

THE HON. MR. V. V. KALIKAR : I have completely read the Bill. I have studied it properly and I am sorry my friend does not understand the implications of law. Sir, it is an expression which has to be defined. What is a loathsome disease ? Under this Bill you have given certain rights to married women. You have to make provision for the rights of the men also. Unless you make those provisions, and unless and until you make the Bill perfect, it is impossible for any court of law to give a proper decision on this Bill if it is passed. A new provision which has been brought into this Bill is " if he marries again ". It is a religious sentiment—you will excuse my saying so—with orthodox people, with people who live in the old style, that they must have a son. My Hon. friend, the so-called social reformer, may not believe in it. Lakhs and crores of people who have implicit faith in the Hindu religion believe that they must have a son. They think that if they have not got a son they would not be saved from going to hell, Sanskrit quotation says :

पून्नाम नरकात् त्रायते इति पुत्र:

He is called a son because he saves you from a hell called 'Punnam'. If Hindus believe honestly in that principle, what right have you,—the social reformer, this House and the other House, to impose this Bill on those who do not believe in your ideology. Let us take another case. If he marries again, then the first wife has got a right of separate residence and maintenance according to this Bill. If he marries again, the first wife goes. If the second wife, dies, what will be the position of the husband and the wife too ? If the second wife dies, either he should have a third marriage or he should take a concubine. The first wife can go and remain where she likes and she should have seaprate maintenance ? Is it the intention of my friends, the so-called social reformers, that society should adopt that way of living ? On this point there is a lot of difference, and a very keen difference. The difference of opinion is on this question " if he marries again." I submit that the House should take into consideration the pros and cons of the whole situation, situated as Hindus are in India. We have not yet learnt to adopt Western methods. We may have been educated in Western education, we may have slavishly followed some of their methods, but the teeming millions of India, the Hindus, have not adopted the Western system. I therefore submit, Sir, that before this House takes upon itself the responsibility of passing such a legislation—it is not permissive legislation—I may bring to the notice of the House all the pros and cons should be considered. The Bill says " Notwithstanding any custom or law to the contrary, a Hindu married woman *shall* be entitled '.

THE HON. PANDIT HIRDAY NATH KUNZRU : Nobody compels her to enforce her reight.

THE HON. MR. V. V. KALIKAR : It is a question of conceding to her the right and once she gets that, she is entitled—

THE HON. PANDIT HIRDAY NATH KUNZRU : It is permissive legislation.

THE HON. MR. V. V. KALIKAR : If you had used the word " may " it would have been permissive.

THE HON. SIR DAVID DEVADOSS (Nominated Non-Official) : She is given the right, but she is not bound to enforce it.

THE HON. MR. V. V. KALIKAR : Once you concede the right, my Hon. friend knows that it will be abused. As a High Court Judge, I need not remind him about the cases that come up so many times.

THE HON. SIR DAVID DEVADOSS : If you ask my opinion, I am entirely in favour of the Bill.

THE HON. MR. V. V. KALIKAR : I am not asking the opinion of the Hon. Member, but I am just bringing to the notice of my friends the fact that an enormous amount of litigation would be brought up if this imperfect Bill is passed by this House. You have to discourage litigation, and Bills of this nature will encourage further litigation rather than curtail litigation. The next point is if the second wife dies, will the husband be entitled to recall the first wife or not ? You have

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not mentioned it in the Bill.. All the provisions that have been made are in the interests of women ; no reciprocal provisions have been in the Bill so far as the rights of males are concerned. I need not remind the House that polygamy is not a rule under Hindu Law. It is resorted only in exceptional cases. Those exceptional cases deserve serious consideration ; and therefore our old Rishis, the old law-givers, have made provision that in certain unbearable circumstances, in exceptional circumstances, a man can marry a second wife. So, this new provision which has been incorporated in the Bill, which is not in the old Hindu Law, is not expected to give any relief to the women as such. I know, Sir, some of these married girls, educated girls, who have adopted the Western style of living, may appreciate this Bill. But those educated women who want to stick to the old standards of life, who believe in orthodox, who believe in the old law, they will reject this Bill. And their number will be very very large. This provision also should not exist in Bill.

I now come to the last clause "for any other justifiable cause". What is justifiable and what is not justifiable is left to the sweet will of the court. The court has to decide whether a particular woman is entitled to separate residence and maintenance on a particular ground. The court has to decide whether the ground is justifiable or not. I do not want to cast aspersions on any society, but we have read in papers that in certain western countries cases of divorce have been filed in court against a husband because he did not kiss the pet dog of his wife. There is no use mincing matters. Do my friends want that our Hindu society should be reduced to that state ? Do they really want that many of these young lawyers who do not have any practice now should get a lot of litigation ? I am not one of those who are opposed to it. I have already considered that point 4 years ago. Let the whole picture of the Hindu Code be before us. Let us see in what part the Hindu Code as finally framed by the Hindu Law Committee is against our Scripture, our rules and our religion.

Let us see what parts of the Hindu Code are in our favour and then let the Central Legislature take any decision. The whole Code is not before the country. It is no use bringing any piecemeal legislation of this type and creating more confusion not only in the minds of the litigants but in the minds of the Courts who have to give decisions in these matters.

Sir, one word more about the separate residence. According to our Hindu law a wife is entitled to separate residence under certain unbearable circumstances but the theory is that the wife should remain under the same roof as the husband. Supposing the wife of a married man who gets a decree under this Bill of separate maintenance and separate residence stays in Delhi while the husband stays in Bombay, will it be in the interests of the society as such—society as a whole—to allow a married woman, especially a young married woman, to have separate residence at such distant places ? Let us look at this from a realistic point of view. I request my Hon. friends not to be led away by the stories and the imagination of social reformers. Let them consider the whole structure of the Hindu society as such and then decide what should be done so far as this legislation is concerned. I therefore submit, Sir, that I am very sorry I am opposed to this legislation on the ground that it is piecemeal legislation, on the ground that this Bill is an imperfect Bill and therefore I am opposed to the Motion of my Hon. friend Pandit Kunzru.

THE HON. SIR N. GOPALASWAMI AYYANGAR (Madras : Non-Muhammadan): Sir, I rise to support the Motion that has been moved by my Hon. friend Pandit Kunzru, for taking this Bill into consideration. In doing so, I propose to be as brief as possible and I should first of all like to deal with one or two of the points which have been raised by my Hon. friend Mr. Kalikar.

I think, Sir, that he was not fully justified in contending that this Bill is not a piece of permissive legislation. It is permissive in the sense that what it confers on a Hindu married woman is merely the right to claim separate residence and maintenance. It is left entirely to such a married woman to claim it or not, to go to a Court of law or not, and, even when she does go to Court and obtain a decree, whether she should enforce it or not. In that sense, I think, Sir, this is essentially a piece of

permissive legislation. I might perhaps draw his attention to the famous piece of legislation which affected the Hindu law and which was passed, I believe, in the fifty's of the last century : the Hindu Widow Remarriage Act. It gave Hindu widows the liberty to marry again but how few of them have really taken advantage of it. The number of widows who have remanied in this country is very small indeed. It may happen that, so long as the present ideas of Hindu Society do subsist, even after this Bill is passed into law its provisions will be taken advantage of only by a very small number of Hindu married women in this country. But that, Sir, need not really affect the attitude that we should adopt towards this Bill. The point for us to consider is what exactly is the issue which is raised by this Bill. That a Hindu married woman has now the right to claim separate residence and maintenance under certain circumstances goes without saying. The Courts of the country have recognised this right and have, I think, clearly expressed themselves as to the circumstances under which this right would be conceded. As my Hon. friend, Pandit Kunzru, pointed out, practically every one of the conditions mentioned in clause 2 of the Bill, except perhaps item 4, is covered by judicial decisions ; and what exactly is item 4 ? It gives a Hindu married woman the right to claim separate residence and maintenance in case her husband takes a second wife. Now this Bill does not prohibit a Hindu husband from taking a second wife if he was so minded if he, in accordance with the religious belief of the Hindu community, wishes, for instance, to obtain a son through a second wife when the first wife has not given him a son. There is nothing in this Bill which prevents him from taking such a wife. The only thing that this Bill recognises is that if he does take a second wife and if the first wife finds her life in her husband's home intolerable she could claim separate residence and separate maintenance.

Now, Sir, that I contend is a very elementary right which a married woman should be conceded in any society and if Hindu society would either directly or indirectly prevent a married woman from claiming such a right the sooner that state of things is put an end to the better. That is, I take it, the reason why Dr. Deshmukh is so anxious to get this Bill through the Legislature at once instead of waiting till the Hindu Law Committee has made its final report. We have had quotations from the report of the Hindu Law Committee. Some of them have been claimed by the Hon. Mr. Kalikar as supporting some of the points that he himself tried to make, but taking that report as a whole there can be no doubt of the fact that that Committee of experts has fully recognised the right of a Hindu married woman to claim separate maintennce and separate residence under the circumstances provided for in this Bill.

Now, Sir, a good many arguments have been advanced as to why we should not be in a hurry to get this legislation through. It is contended, Sir, that it is piecemeal legislation, that we should wait till the whole Code of Hindu Law has been drafted by this expert Committee and we are in a position to look at the Hindu law system as a whole before we agree even to this, what is considered to be, a minor measure. I wish only to point out in this connection that what this Bill attempts to do is not to enact a piece of legislation for circumstances which are not already covered by the law which is in force in this country. As a matter of fact, practically every item is covered by judicial decisions and the only item that is new is this item 4 " if he marries again ". Now, as I have said, Hindu married women have waited long enough already for this protection of their interests, and I could, if Iwas disposed to do so, cite to the House any number of instances in which, not uneducated or illiterate Hindus, but quite educated members of society have taken advantage of the present state of the law and taken unto themselves second and third wives and made the life of the first or the second wife perfectly miserable in their homes. I can cite the names of members of distinguished services under the Government of India who have taken such supplementary wives and have made the lives of the young women whom they had first married most miserable. I do not wish to cite the instances ; but is it not the duty of a legislature of this type to put an end to such a state of things as quickly as possible ?

It was suggested, Sir, that this Bill has not gone the round of the provinces and has not elicited public opinion in the provinces in its favour. Let me say this.

[Sir N. Gopalaswami Ayyangar]

I come from a province which is perhaps famous for its orthodoxy, and let me tell this House that this particular Bill is welcomed by the large body of public opinion amongst Hindus in that province. There are instances where parents of girls whose lives have been made miserable have felt themselves helpless in circumstances when their sons-in-law have taken second and third wives.

Another point which has been put forward is that this Bill is going to have very far-reaching effects on Hindu society. The suggestion is that the effects would be of an evil character. Now, let us analyse the position for a moment. What is it that this argument implies ? Or, I would put it in another way. What is it that this Bill confers on Hindu married women as a matter of right ? It does not confer on a Hindu married woman the right to prohibit her husband from marrying a second wife. It does not even say that if he does take a secondwife that marriage would be invalid or null and void. It only says : " Well, if you take a second wife, and if I find myself miserable in the house on account of the fact that there is another wife to whom *prima facie* you devote all the attention that you can spare, please let me go and live somewhere else. As a Hindu husband you are bound to maintain me. I cannot dissolve this marriage bond ; let me at least live in ordinary comfort away from you. " That is all the right that this Bill confers on a Hindu married woman. I ask, Sir, is that not an elementary right that any Hindu married woman has a right to claim ?

Then, Sir, something was said about the expression " loathsome disease ". I believe the Bill takes that from decisions of the High Courts. The question has here asked whether, if you take a case of itches or eczema and a Hindu married woman does obtain a decree for separate residence and maintenance, what is to happen to the poor husband when he recovers from his itches or his eczema. Because of the existence of the decree for separate residence and maintenance, is he to take another wife, or is he to take a concubine ? I do not see why he should do either, If he does recover from itches or eczema, this particular decree will not, in my opinion—I speak subject to correction as I am not a lawyer—this decree for separate residence and maintenance will not prevent the husband from claiming restitution of conjugal rights. And if he does make the claim and the wife unreasonably refuses to get back to him, I take it that any court will cancel the previous decree that was given for separate residence and maintenance. That, I hope, is the reason why in addition to the word " loathsome ", the word " incurable " has not been put into this Bill. There are some decisions which do use the word " incurable " also. But " incurable " is a thing which even a doctor cannot pronounce with confidence on ; and even if, for instance, it is a curable disease, as the circumstances which my Hon. friend put forward did indicate, the moment that the disease ceases to be loathsome and the man gets cured, there is nothing which would prevent a husband and wife coming together or residing in the same premises.

Then, Sir, it was said that Hindu law is one law, that the different parts are interconnected, and therefore it is necessary that we should have the whole picture of what that law is going to be before we can pronounce a definite opinion on a particular portion of that law. I contend that this Bill does not enact even a section of Hindu law, so to speak ; it only confers a right of separate residence and maintenance to a wife under certain circumstances. And for the house being enabled to acquire at a definite opinion on the merits of the right that is proposed to be conferred, I do not think it is even necessary that we should go to the principles or the peculiar tenets or beliefs of Hinduism. What is proposed to be conferred is a mere personal right which any human being in the position of a married woman should be entitled to claim, Hindu Law or no Hindu Law. And that is why I am very strong in the support I would give to the substance of this Bill.

In giving my support to the substance of the Bill, I did look with some care into the provisions of the Bill as now before the House, and it did strike me that certain

of the clauses are susceptible of substantial improvement, some in language, one or two even in the way in regard to substance. I have given notice of certain amendments to the Bill. I have weighed in the balance the alternatives that I should consider in connection with the Bill as a whole. The first is whether the amendments of which I have given notice go to the root of the principles underlying the Bill. Personally, except in regard to the amendments which I have proposed to item (3) and to item (6), I should not consider that the other amendments of which I have given notice go to the root of the Bill at all.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): Is the Hon. Member moving his amendments or not ?

THE HON. SIR N. GOPALASWAMI AYYANGAR : I will say whether I am going to move them. I am only leading up to the statement whether I am going to do so.

With regard to item (3), *i.e.*, desertion, I thought that it was necessary to provide for a case where the husband might not have had the consent of the wife or might, even against her wish, have abandoned her— there are cases where even though these two factors might not be present, he might have a just cause for abandoning her. But in considering that matter I did not have sufficient advertence to what is said in the proviso to the clause. Some of the factors which would constitue a just cause for abandonment or desertion are provided for by the proviso. I would not, therefore, insist very much on that portion of the amendment. The second point was that I had thought we might put a minimum limit of two years for the abandonment to have continued before it could be taken advantage of as a ground for claiming separate residence and maintenance. But, thinking further over the matter, Sir, it does seem to me that there might be cases of desertion or abandonment for even less than two years which would justify a decree for separate residence and maintenance and it seems to me, after all it would be best to leave it to the discretion of a court of law to say whether the duration of the desertion or abandonment in the particular case was sufficient to constitute a ground for the claim to be made. As regards item (6) about the concubine, I thought, Sir, that the keeping of a concubine should be a sufficient ground for a claim for separate residence and maintenance even if she was not kept by the husband in his own house or even if the husband did not go to the concubine's house and reside there. Those are the two cases provided for by the clause as it stands. There may be cases where the husband resides in his own house and habitually visits a concubine and gets back to his own house. In such a case, the concubine will not be in his house and he will not be in the concubine's house and yet the circumstances would be sufficient to justify the wife in claiming separate residence and maintenance. Personally, if the conditions warranted, I should press for an amendment of that sort. But I take into account the circumstances in which we are considering this Bill. I am entirely at one with the Hon. Mr. Kalikar when he complains that, in respect of legislation of this important nature, the Select Committee which is set up to consider it must be a Select Committee on which both Houses are represented. It ought not to have been a Select Committee of the other house alone. I hope, Sir, that when non-official members of the other House do introduce Bills of this nature in the future, they will keep this in view. But a Select Committee of the other house alone has considered this Bill and reported on it and the other House has passed it. We are meeting at a time when any amendment, not of a radical nature but of a nature which would improve the language of the Bill, would only result in postponing the legislation from being pushed through, for an indefinite period. Weighing both these aspects together, I think I would not press for the amendment of item (6). The last amendment, Sir, of which I have given notice is to item (7). There also, it is really an improvement of the language. In these circumstances, Sir, while I strongly support the principles of the Bill, I do not think I will move any amendments in this House which if carried might have the effect of postponing the enactment of this very necessary and urgent piece of legislation.

THE HON. SIR RAMUNNI MENON (Nominated Non-Official) : Sir, the Bill before us seeks to give the Hindu married woman a certain measure of relief

[Sir Ramunni Menon]

under certain stated conditions. The Bill is a simple, limited and, as far as one can judge, a complete and self-sufficient piece of legislation. Viewed in the context of progressive ideas and conditions of life which prevail in Hindu society today, I do not think it can be said that the Bill contains anything which can be characterised as novel or strange or unreal or unjust or that it goes beyond immediate necessity. There is a general consensus of opinion in Hindu society today that Hindu marriage as an institution however beneficient an efficient it may have been in the past, is ill-adapted to the moral and intellectual climate of the present day and that it requires thorough reform. The need for reform is recognised generally. The war, if it has done anything in this matter, has certainly reinforced the urge for reform. It has shaken our fundamental beliefs and loyalties to their very foundations. At the same time it has added keenness to our sense of freedom and our demand for personal rights though I must confess with regret it has not at the same time promoted the growth of our sense of duty or responsibility. The need, therefore, today for reform in the marriage laws of the Hindus is very urgent and cannot without grave danger to family life and society be unduly delayed. Now, let us consider the Bill on its merits. One line of criticism is to the effect that there is nothing new in the Bill at all except possibly for one condition in the specified conditions on which there appears to be a difference of opinion. Except for that one condition it seems to be admitted that the existing law recognises and makes ample provision for the situation envisaged in the Bill. If that is so, then one may not ask, what is the objection to this Bill ? It might be argued, on the other hand, where is the need for it ? That is perfectly true. It is a double-edged weapon. To the ordinary layman, it must be a matter of great advantage to have a law put in very clear, simple language, stating in precise and unambiguous terms the conditions under which it operates. And that is precisely what this Bill does. If one goes through those specified conditions, if anyone with a due moral sense and with a due respect for individual freedom and rights, goes through those conditions, I can hardly think that he would be hard-hearted enough to say that the remedy proposed in the Bill is unjust or unfair. On merits, I take it that there is practical unanimity of opinion among all sections of the Council and of the public, even among those who are opposed to the Bill for other reasons, that the Bill is a just measure.

What are the other objections that have been brought forward against the Bill ? One objection is that piecemeal legislation should be avoided. I have often urged that argument myself in connection with other measures. I fully recognise the disadvantages of piecemeal legislation. But whether on a particular occasion a piece of legislation should be undertaken as a piecemeal or as a part of a full-scale operation is a matter which cannot be decided on *prima facie* grounds, but should be determined on a full understanding of the circumstances of the particular case. In the present case I am satisfied that, looking to all related circumstances, the substance of the Bill has been sufficiently long before the public, before the Government and the Central Legislature. It cannot be argued with any reason that public opinion has not had sufficient time to be mobilised and brought to bear on the issues involved ; and further this is a piece of legislation, which as far as I am able to judge, does not affect any other aspect of Hindu Law. It is self-contained. If the admission of Hon. Members is correct that the law as now drafted already exists in prfactice then I cannot find any justification for the plea of piecemeal legislation.

There are some who think that the Hindu marriage law is a creation of the ancient Rishis and that it does not require any change and that the best thing to do with it is to leave it alone. Everybody is entitled to his opinion. As far as I can see, that school of thought which we may speak of as statuquokers had better be left alone. Nature will deal with them in its own way.

There is one other point to which I should like to refer briefly, a point which as far as I am aware has not been touched upon by any previous speaker. Our approach to modern problems, political, economic, social or cultural, is very largely influenced, if not determined, by our sense of respect for the human personality and our appreciation of fundamental personal freedoms. Sufficient indication of this view is contained in the Charter of the United Nations to which we are often accustomed

to appeal in the political field. The charter covers not only the political but the economic, social and cultural fields of human activity and I see no reason why we should not invoke its aid in connection with the present Bill, which is a subject dealing with human rights. I should like to specifically refer to one particular Article, Article 55, which says :

" The United Nations shall promote universal respect for and observance of human rights and fundamental freedoms for all without distinction as to race, sex, language or religion ". Art. 55(c).

Article 56 says :

" All members pledge themselves to take joint and separate action in co-operation with the Organisation for the achievement of the purposes set forth in Article 55 ".

India is a Member of the United Nations; and by passing legislation which is now before us, it will be giving an earnest of its determination to fulfil the obligations which it has accepted voluntarily.

I give my full support to this Bill.

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS (East Bengal : Non Muhammadan) : Sir, I rise to oppose the Bill in its present form, not because of any intrinsic demerit it deserves opposition, but because of the following reasons. Sir, in the absence of clarification of the definition of " cruelty ", in the absence of clarification of the meaning of ' loathsome ' disease, in view of the fact that the ground as specified in item (7) in clause 2 is vague, I oppose the Bill. Sir, we have before us a Bill to give a right to separate residence and maintenance under certain circumstances to Hindu women. What are the circumstances ? These circumstances are given in clause 2 as the grounds for claiming the right to separate residence and maintenance. Sir, before I proceed to criticise the grounds specified, I would like to draw the attention of the Members of the House to the language the sponsor of the Bill has used in clause 2. Sir, it says " Notwithstanding any custom or law to the contrary. " What does this language signify ? That means even if this Bill encroaches upon the Hindu social custom or the existing Hindu Law, still he is keen to have the Bill passed into law.

Sir, the sponsor of the Bill having hailed from Bombay, the Province which is known to be the vanguard of civilization, being the gateway to India of the westerners, has been actuated by the spirit of the civilization which he has imbibed from the westerners, or, he, being a doctor being in touch with midwives and lady doctors at their solicitation, has been pleased to bring forward a Bill of this nature when the Hindu Intestate Succession Bill is still on the legislative anvil.

THE HON. RAI BAHADUR SRI NARAIN MAHTHA. (Bihar : Non-Muhammadan): Are you defending the concubines ?

THE HON. Mr. P. N. SAPRU : They are more interesting than wives !

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS : Sir, what is the position it will create ? The semi-Anglicized or westernized Hindu ladies will get separation on the plea of the alleged cruelty, negligence or desertion on the part of the husband, while legal wives would be afraid or, in other words, the former will act as safety valves of the society.

Sir, as to ground 1, if the husband is suffering from a loathsome disease not contracted through his wife, then the wife can claim a separate residence and maintenance. What is a loathsome disease, Sir ?

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) : You have an amendment of the Bill,

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS : I will move the amendment.

MR. CHAIRMAN : You cannot move the amendment at this stage. This is the consideration stage.

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS : I only wantto make some general remarks.

[Rai Bahadur Satyendra Kumar Das]

Sir, how can a loathsome disease be contracted ? It is not always with the intention of the husband that he gets a contagion of a loathsome disease. He may get the disease by coming in contact with fellow passengers journeying in the same compartment, because not all the husbands are expected to be in affluence like the legislators in this House to travel in upper classes. Sir, it is quite possible that he got the contagion through a *dhobi*. The *dhobi* might have mixed his clothes with other diseased clothes in the same utensils and by wearing those clothes he might get the contagion. Sir, there was a time when this loathsome disease was incurable, but time has come when this disease can be cured. Sir, will the members present here like that the wife of a husband having three or four children should seek separate residence and maintenance on the flimsy ground that her husband has got a loathsome disease, which can be cured now according to the modern science, Sir, Hindu religion, Hindu custom enjoin that it is the incumbent duty of a devoted wife to nurse the husband at the time of his disease because by careful treatment and nursing a husband may recover.

Coming, Sir, to ground 2, what is cruelty ? By cruelty as laymen what we understand is that if a husband beats his wife unnecessarily, if the husband stops supplying of necessary food and clothes for her maintenance and subsistence, then the husband's action may come under the purview of the definition. Would it not be wise for us here to define cruelty instead of leaving this matter in the hands of the Courts ? What fault will we be doing if we define cruelty in such manner as is proposed in my amendment or even in any other amended form in the Preamble of this Bill.

Sir, as regards I, I have got instances to prove my contention. In one place of Bengal a gentleman who had invented the world-wide known malarial cure—I do not like to name him—got leprosy. I saw with my own eyes that his wife nursed him till he recovered.

As to cruelty I have found in Bengal girls of respectable and cultured families define as cruelty the refusal of a husband to allow his wife to go to a cinema, to meet her own friends and to act there as a film actress. Do you say it is cruelty ? I have got an instance of a very big family—you will be taken aback if I mention the name of that family—where the husband who has got children by his wife is studying at Mussoorie now and the wife is living separately without going to court, but the husband is giving her something. Such being the case, Sir, I put it to the members of this House whether it is admissible at the present juncture in view of the instances cited by me to give such a long rope to womenfolk of our country when the Hindu Intestate Succession Bill is still on the legislative anvil.

Sir, if the Bill is passed into law, it will be a piece of evil, of the modern civilization. Sir, if you say that with the march of time, with the growth of civilization we must concede some facilities, some advantages to the womenfolk we should give this Bill our most serious consideration. It might be that some women, taking advantage of this law, would go astray, and you might find verification of the words which Miss Mayo has used in her book " Mother India ".

Sir, I need not dwell here on the other items, because there are ample opportunities of dealing with those items. But the item " for any other justifiable cause " is too wide, and it must be made explicit ; you should not leave it to High Court Judges or judicial officers to draw their own inferences.

Sir, with these observations, I oppose the Bill in its present form, and request that the points that I have raised should be clarified.

THE HON. MR. SURPUT SING (West Bengal : Non-Muhammadan) : Sir, I beg to oppose the Motion as I feel very strongly on such social legislations passed by a Legislature with heterogeneous elements. Sir, my Province of Bengal has, in no uncertain terms, expressed itself against such legislations. From High Court Judges downwards, all manner of people have given their opinions against such legislations. Women folk, educated and uneducated, high and low, have come forward and have appealed to Mahatma Gandhi and Pandit Madan Mohan Malaviya on the one hand and to Sir Sarvapalli Radhakrishnan and Mr. Savarkar on the other hand to put in their weight against such legislations. Sir, we have never felt the absence

of such or similar anti-social legislations so far. When there have been such cases as the proposed Bill intends to cover our law courts, in their inherent discretionary powers of equity and good conscience, have amply met them and afforded relief to those who rightly deserved it. There is no need, therefore, for any such distinct legislation to bring in the impact of ultra-modernization. Sir, I cannot conceive of any Hindu woman brought up amidst Hindu traditions for the sake of a maintenance to forsake him if her husband becomes unfortunately afflicted with leprosy or tuberculosis, or some exuding skin disease, or the like, in course of their married life ; nor can I think of a situation when a Hindu man will be so shameless as to live with a concubine in the same premises with his wife, when his wife herself is a pattern of virtue and renders love, comforts and service to the husband.

In my opinion, Sir, the undefined and ambiguous terms in the Bill are well calculated to give a long rope to scheming mothers, designing fathers, intriguing brothers and relations of wayward, quarrelsome, self-seeking and unvirtuous wives to put into court rich and well-to-do sons-in-law and brothers-in-law as the case may be in order to extort regular contributions from them for their own advantage. I cannot, therefore, see eye to eye with what has been said in favour of Bill replete with obvious potentialities for mischief and evil.

Sir, the greatest harm that the British rule has done us is its imperceptible inroads upon our culture, traditions and civilization. This piece of legislation is to my great regret, another such attempt from our own people who have lost their own under the impact and glamour of their socalled English education and culture. Sir, if these people want a change and are really desirous of breaking away from the existing order of things, there are ways open to them already to discomfit the salutary provisions of the Hindu law. But let them not do anything in such a way as to rope in the whole Hindu society, the great bulk of men and women who are not of their ways of thinking and will never follow what is sought to be imposed upon them. I would beseech them with all sincerity not to make such attempts as to break our hearths and homes. Sir, with these words, I oppose the motion.

The Council then adjourned for Lunch till a Quarter to Three of the Clock.

The Council re-assembled after Lunch at a Quarter to Three of the Clock, the Hon. Mr. M. N. Dalal in the Chair.

*THE HON. MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan) : Mr. Chairman, the Bill which has been moved by the Hon. Dr. Kunzru is of such a moderate character that it was really a wonder to me that there was any opposition to it on behalf of any member of this House. I particularly regretted the opposition of the Hon. Mr. Kalikar who is one of the leading lights of the Progressive Party and delights in calling himself a Progressive. I wondered when I heard Mr. Kalikar whether he knew the meaning of the word " progressive ". You are not a Progressive if you are merely anti-British. I am proud to say that I have that anti-British bias myself. But that bias will certainly change if there is a settlement between Britain and India. You are not progressive if you vote for heavy protection. I do not say that there is not a case for protection. You are not progressive if you vote against measures that come before this House from time to time. Progressivism implies an ideal and attitude of mind and I regret to find that that attitude of mind, which is the pith of the word " progressivism " was completely absent from the speech of the Hon. Mr. Kalikar. It was the speech of a social dichard, which had little conception of the meaning of the expression " social justice ". The argument was that the Provincial Legislatures had not been consulted. If he Provincial Legislatures had been consulted, would their attitude have been very different from the attitude of the Congress majority in the Central Assembly ? Remember that this Bill, after 5 years, was passed by a newly elected Central Assembly in which the Party of which Mr. Kalikar is a great pillar outside this House, the Hindu Mahasabha, was not able to win a single seat. This Bill represents the efforts of five years of

* Not corrected by the Hon. Member.

[Mr. P.N. Sapru]

devoted work on the part of Dr. Deshmukh and it has been examined, re-examined, vetted, and improved at various stages, and if this is not consultation, I do not know what the word " consultation " means. The Hon. Mr. Kalikar said that that he was a democrat and he wanted the democratic process to be followed in regard to this Bill. If this is not a democratic process, I would like to know what democratic process is? The democratic process is that you must abide by the verdict of the Lower House, by the verdict of the popularly elected House. The Senate or the Council of State should interfere very rarely, if it interferes at all, with measures passed by the Lower House. It should interfere only where there is reasonable ground for apprehending that the Lower House has been in too great haste or hurry. Can it be said that this measure, which was passed without a division in the other House—it was merely criticised by one or two back benchers in the Lower House—did not represent the will of the Hindu people ? The Muslims did not vote either way and the Government did not vote either way and the Hindu members, newly elected after a strenuous election at the general elections last November or December passed the measure. The fact of the matter is that Mr. Kalikar would have been opposed to this Bill under any circumstances whatsoever. If it had come as part of a Bill codifying the Hindu law, he would have discovered some technical objection, because, ideologically, he is not in progress so far as social matters are concerned. It has been said that the Council of State is committed to the view that there should be no piecemeal legislation so far as the Hindu law is concerned. It has been further said that there is the authority of the Rau Committee—and I am glad that Mr. Kalikar has discovered some affection for the Rau Committee who has expressed its disapproval of piecemeal legislation. There is a difference between this Bill and the Inheritance Bill. I voted for that Inheritance Bill ; I worked for that Bill. I do not go back upon anything that I said in regard to that Bill. But when you are dealing with the question of inheritance, you are dealing with the whole fabric of Hindu society and Hindu law. You are dealing not only with the position of women, but you are dealing with the question of the joint family : you are dealing with nice intricate questions which affect the relationship of Mitakshara and Dayabagha ; you are dealing with the economic structure of Hindu society. You are dealing with the question of adoption, you are dealing with so many other questions ; you are dealing with the basis upon which inheritance in Hindu law has so far rested. You are not doing anything of that kind so far as this Bill is concerned. It is a very simple provision which merely states in simple legal language what is the legal position regarding separate residence and maintenance of women, except in regard to one matter, and that of course is where a person marries a second wife. That is what we are doing so far as this Bill is concerned. I take it clause by clause. " Notwithstanding any custom or law to the contrary" means never mind any law or custom to the contrary ; this is going to be the law hereafter. " A Hindu married woman shall be entitled to separate residence and maintenance from her husband on one or more of the following grounds, namely, (1) if he is suffering from any loathsome disease not contracted from her ". If he contracts the disease from her, then she cannot claim separate residence. Would Mr. Kalikar's social conscience—I wonder if he has any social conscience in these matters—would Mr. Kalikar's social conscience permit to compel a woman to whom her husband has communicated venereal disease, certainly a loathsome type of disease, to live with her husband ? If his social conscience says that the woman's duty is, regardless of the misconduct of her husband, to live with him, even though he has given her a loathsome disease, then all I can say is that I cannot and do not understand the processes of mind which can reconcile itself to this sort of injustice. " If he is guilty of such cruelty towards her as renders it unsafe or undesirable for her to live with him ". Some years back I was arguing a case before a distinguished Chief Justice of our Court. It was a case for restitution of conjugal rights and I was appearing for the wrong party, that is, the husband. My point was that the husband had just merely slapped the woman. That Judge happened to be an Englishman with somewhat different notions of social justice from those which some of us have inherited, rightly or wrongly, from the past. And he asked me, " How many slaps you think, Mr. Sapru ? " I said merely he had

slapped the woman. He asked me, " How many slaps do you think, Mr. Sapru, would be necessary in order to make it cruel" ? I could not give the exact figure. And he did order restitution of conjugal rights. His sympathies were very strongly for the woman. If I had the statute in this form, I probably would have won the case. Now, if I was to criticise this clause, I would criticise it on the ground of its moderation. I would not say that it is as extreme as Mr. Kalikar takes it to mean. It states the law which individual judges in their discretion have interpreted as being what is stated to be here. "If he is guilty of desertion, that is to say, of abandoning her without her consent or against her wish. Would Mr. Kalikar deny a woman who has been deserted by her husband the right to separate residence and maintenance ? How are they to live if they are deserted ? Would he welcome prostitution on their part ? Would he welcome change of religion on their part ? What is he going to do with women who are treated in that way by their husbands ? Let him answer the question for himself before he criticises the framers of this Bill for putting forward a very modest measure of social reform. The Hindu law says that a woman is entitled to maintenance unless she is proved to be unchaste. Even the unchaste woman—I am not sure, I am speaking in the presence of Sir David Devadoss—even the unchaste woman if she gives up her unchastity is entitled to maintenance—

THE HON. SIR DAVID DEVADOSS : If she ceases to live in sin.

THE HON. MR. P. N. SAPRU : If the fellow has deserted her, she must have the right to claim separate residence and maintenance. What is the change which this Bill affects ? There is no change in the present law. All that the Bill does is to codify the present law, to make it clear to the average woman what her right is, to make it clear to the average man what his right is, what his duty is. " If he marries again ", that of course I know is an innovation. But I believe in monogamy. I believe in the concomitant of monogamy also, divorce. But the Bill does not go so far as declaring second marriages invalid. It does not prohibit second marriage. It does not sanction divorce. It merely says that if a woman chooses, she can claim separate residence and maintenance if her husband has married again. Would Mr. Kalikar encourage second marriages ? I think Mr. Mahtha gave me a quotation, namely, second marriage is the triumph of hope over experience. Mr. Kalikar would probably advocate second marriages in the case of men. But if a man can marry a second time, why cannot woman also marry a second time ? Is he prepared to give that right to women ? If not, obviously he does not believe in equality of the sexes, and it is nonsense on the part of any member of this House to say that he believes in the United Nations Charter if he does not believe in sex equality. I was very glad that the Hon. Sir Ramunni Menon quoted the United Nations Charter and lifted the debate to a high ethical level. (*Interruption.*) I said it is nonsense on the part of any member of this House to say that he believes in the United Nations Charter if he does not believe in sex equality.

Then we come to clause (5) "If he ceases to be a Hindu by conversion to another religion". I agree with that clause. I think it is a healthy and right clause, but would Mr. Kalikar like this clause to be deleted ? Hashe any objection to this clause? Would he like a woman to live with a Hindu who has renounced his religion and become a Muslim, a Christian or shall, I say, Sir,—you have no conversion unfortunately —a Zorastrian ? Would he like that ? Well, if he does not like that where is the objection to that clause ?

Now, Sir, clause (6) "If he keeps a concubine in the house or habitually resides with a concubine". A concubine, Sir, is a permanent mistress ; that is how the Privy Council has defined the word "concubine". If he keeps a concubine, would Mr. Kalikar or those who are associated with him in their opposition to this Bill suggest that concubinage is a thing which should be encouraged and that the policy of the Hindu law should be to encourage concubinage. I think, Sir, it is the grossest libel on the Hindu religion to suggest that it encourages concubinage, that it encourages immorality or sex laxity in any sense or manner. I do not see how we are departing from the letter and spirit of our law by making it explicit in clear, unambiguous legal language that where a person keeps a concubine, the wife shall have the liberty of refusing to live in that house and claiming for herself a separate existence. A woman may well say " I do not want to mix with a person

[Mr. P. N Sapru]

who is sexually immoral. I do not want to see the face of a woman who is sexually immoral". Perhaps Mr. Kalikar would like to compel that women to see the face of a woman who is what we will call a *petit*. I am not sure that that is really what he wants. I do not know whether he understands that opposition to this rule means support of concubinage. I would say that those who are opposing this clause are in effect supporting immorality.

Clause (7) says "for any other justifiable cause". Now from Mr. Kalikar I would like to turn to my Hon. friend Mr. Das, one of our newest recruits to the Progressive Party. He very much objects to these words "justifiable cause". These are very ordinary words. The rule of interpretation in law is this. In order to interpret something like "justifiable cause" you have to read the five sub-clauses above. It is what we call an *ejusdem generis* clause. What can be a "justifiable cause". I will assume for a moment that I was a Judge—happy am I that I am never going to be a Judge——

THE HON. SIR DAVID DEVADOSS : You will soon be !

THE HON. MR. P. N. SAPRU—and I had to interpret this clause. I would say this clause (6)—if he keeps a concubine in the house or habitually resides with a concubine—refers to a case where the person has a permanent mistress. But a man may have no permanent mistress ; he may have a mistress every night and he may be promiscuous, and where a person reaches that stage of promiscuity, I would say that the wife would have the right to claim separate residence. Again a man may be a habitual drunkard or he may be edicted to unnatural vices. He may be a sex pervert. Now these words "sex pervert" are not there. Now this is the interpretation to be put on these words "any other justifiable cause" and I would ask those who oppose these words "any justifiable cause" to consider whether they would like any of these vices to develop in Hindu society. If they would like these vices to develop in Hindu society, if they would like Hindu society to have no opinion on these moral, ethical questions—questions of the sense of morality—then I have no quarrel with them, but I believe that they are all puritans in their life and I would like them to approach this problem from the point of view of Hindu purity. If they approach it from that point of view I am sure that they would find that there is every justification for this clause. It is intended to help us to maintain high sex standards. You cannot have high sex standards unless you had equality of sexes, unless you exact the same standard from men as you exact from women and that is why I think this clause too is necessary.

Then, Sir, there is a proviso that" a married Hindu woman shall not be entitled to separate residence and maintenance from her husband if she is unchaste or ceases to be a Hindu by change to another religion or fails without sufficient cause to comply with a decree of a competent Court for the restitution of conjugal rights". Sir, if I were moving an amendment I would have moved the deletion of the last part "or fails without sufficient cause to comply with a decree of a competent Court for the restitution of conjugal rights". I would not dilate on this point further but personally I am opposed to this law of restitution of conjugal rights as it is today. After all a woman is not a chattel and we must treat her differently and that at all events is my conception but I would not dilate on that point any further.

Then, clause (3) raises the question of the amount of maintenance. Now surely there can be no objection to that clause. It merely embodies what the present law is in regard to the amount of maintenance. Courts in awarding maintenance have regard to the social and economic status of the husband. They should also hereafter have regard to the social standing of the parties and the extent of the husband's means.

Now, Sir, it has been suggested that this residence clause is somewhat compulsory in character. I did not quite understand exactly what Mr. Kalikar meant by saying that. No woman is compelled to go to a Court of law and say give me this relief. It is optional for her to ask for this relief or not ask for it. There is no compulsion on her that if her husband marries a second time she will have a separate residence. In fact, according, I think, to the strict Hindu law—and I could cite texts to that effect—aHindu man who marries a second wife with the consent

of his first wife.....The highest Hindu ideal is a monogamous union, We know that the highest Hindu ideal is that which is illustrated by the union of Sita and Rama; we know that while Rama abandoned Sita he never married again, and he is held up as the highest ideal. The highest ideal is represented by Savitri and Satyavan, and that too was a monogamous union. We know that in our community---and I think it is so in all other communities—we have a sort of *pushpa puja*, and the names mentioned are Sita and Savitri, Rama and Satyavan, and so on. Now, I do not see how we have departed from the spirit or the letter of our texts by merely indicating, indirectly, that monogamy is superior to polygamy. That is about all that we have done, and if my Hon. friend Mr. Kalikar and his friends have any objection to this clause, then all I can say is that they are not true to the spirit of Hinduism, that they are not true to the spirit of Hindu civilization and Hindu culture.

It was suggested that if provincial opinion had been consulted, perhaps the verdict might have been different. Well, all these social measures were anathema to the organisation of which the Hon. Mr. Kalikar is a very distinguished member. And what was the total voting strength of that organisation in the whole country? What were the number of seats which that organisation was able to capture, whether in the provinces or at the Centre? As far as the provinces are concerned, I believe in Bihar they captured the magnificent number of one!

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): The Hon. Member had better stick to the terms of the Motion.

THE HON. MR. P. N. SAPRU: I am just giving an answer to my Hon. friend.

THE HON. MR. V. V. KALIKAR: I never raised that point. I only stated that the Provincial Legislatures ought to have been consulted.

THE HON. MR. P. N. SAPRU: I am very glad to be corrected. But my point is that the Provincial Legislatures—

THE HON. MR. V. V. KALIKAR: Which have come into power.

THE HON. MR. P. N. SAPRU:——which have now come into power are Congress-minded; and in the Central Assembly also practically every Hindu was a Congressman and this Bill was passed without any division by the Central Assembly. Therefore, I am entitled to argue from all this that the electorate, when it voted for Congressmen, reposed confidence in their social policy.

Then, Sir, it is said that a wife will not be able to go back to her husband if once there is separation. Where is the clause which prevents her from going back? Even in English law, if there is judicial separation, the decree for judicial separation can be nullified. I could have opposed this measure on social grounds of a different nature, but I am not supplying that argument to the members of the opposition. I do not know whether judicial separation is healthy. Divorce may be the more correct remedy in many cases. But I do not dilate on this point further. But certainly I think it is legally not correct—I do not use the word "nonsensical"; I will use a milder word—I think it is legally incorrect to say that it will not be open to a woman to go back to her husband in spite of the fact that there has been an order of separation of residence and of maintenance.

Now, Sir, I have practically exhausted what I wanted to say so far as this Bill is concerned. Summing up, I would urge that this Bill merely codifies the existing law, except in regard to one matter, and that is so far as the second marriage is concerned. The codification will not interfere with the main structure of Hindu law. The remarks of the Hindu Law Committee and the Resolution of this House in regard to the codification of Hindu law have no meaning so far as this Bill is concerned. The simple codification of the existing law will simplify the law. It will make it easier to be understood both by lawyers and by laymen. The word "cruelty" here has a restricted meaning. In English law it includes mental cruelty also. Here, it has been limited to physical cruelty, and the clause in regard to cruelty states the present position of the law; nothing more than that. So far as the last clause is concerned, I think it is most necessary that the Bill should have the words "for any other justifiable cause" for the reasons which I have stated.

Sir, I will take just two or three minutes and wind up my speech. I have just come back from a country where I saw another great Asiatic race, the Chinese,

[Mr. P. N. Sapru]

which had advanced by leaps and bounds in the social sphere. Their women have become emancipated. I do not say that I have liked all the phases of life in Malaya; certainly some of the things that I saw did not appeal to me. Nevertheless, I found them a progressive community; I found them im-bibing the spirit of the modern age. And if this age-long society which we have inherited is to function as a great society in a competitive world, it must be able to readjust itself to the changing environment. It has been the proud boast of Hinduism,—and I am very proud of my Hindu heritage, my Hindu culture, my Hindu civilisation and my Hindu religion,—that it has been able to adapt itself to changing environments. It is this capacity for adaptation, this capacity for modification of the surrounding environment to changing conditions which has enabled Hinduism to survive through the ages. If you want to make Hindu society inelastic, you make it a diseased society. I am not prepared to make it a diseased society. I want it to grow into a healthy, vigorous society and it is because I honestly feel that it represents a small step towards social justice, towards broadening the basis of our social system that I consider it my duty to vote whole-heartedly for this Bill.

*THE HON. SIR SOBHA SINGH: (Nominated Non-Official): Mr. Chairman, I rise to support this Bill so ably moved by the Hon Dr. Kunzru. I feel that although sometimes piecemeal legislation is objected to, and although Government has promised that all Hindu law will be codified at one time, there is no piecemeal legislation here. It is a very simple and small social Bill which I feel is long overdue. Three years back I moved in this House an amendment to another Marriage Act and brought in it the right of divorce for a Sikh woman. But I was told that very soon the Hindu law will be under consideration of the Joint Committee of both Houses and then it will become easier for me to get this amendment in the Marriage Act passed easily. I waited for so many years but nothing has come out from the Hindu Law Committee except this Bill which is really not much of an improvement over the existing practice and law already in the country. It has been said that Hindu public opinion is against this Bill. I doubt very much. I think the Hindu ladies have advanced more than many other communities who have laws like this already existing. After all, if you look into the clauses of the Bill which have been so ably explained by my Hon. friend Sir Gopalaswami Ayyangar, you will find there is nothing new. If any body had asked me I would have said that the clause with reference to loathsome disease should be amended like this, that the husband who has got a loathsome disease should be sent to a pinjrapole and a pinjrapole should be provided so that society should be saved from the spread of such disease. (*An Hon. Member*: Leper asylum.) (*Another Hon. Member*: Kill him.) If the lady, the elected member of this House—probably the first lady to be elected to this House—had been here today she would have been a great strength in support of this Bill. The orthodox opinion that is opposing this Bill is trying to show that it is not in the interests of Hindu society as a whole. They are entirely wrong. My Hon. friends who ask for self-determination and have big shouts and cry for self-determination, should feel that there are other human beings who also want some kind of self-determination for themselves and I do not think that by passing this Resolution the Heavens will fall on Indian society or Hindu society. I support this Bill.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY (West Bengal: Non-Muhammadan): Sir, I rise to support this Bill. This Bill is quite wholesome and good. There are seven causes under clause 2 of the Bill for which a Hindu married women is entitled to separate residence and maintenance. I am in entire agreement with the first six causes, but not with the last one. As regards the first cause, some people have suggested that it should be made "incurable" disease. It has been suggested that to the clause " if he is suffering from any loathsome disease not contracted from her " there should be an amendment that the disease should also be incurable. I do not see how "incurable" can be added. Who can say which disease is incurable ? Some doctors may say that one disease is incurable. If you go to other doctors they may say they can cure that disease. That is really too vague a word to add. The second cause is : " if he is guilty of such cruelty towards her as renders it unsafe or undesirable for her to live with

* Not corrected by the Hon. Member.

him". I do not think any one can take objection to that. The third one is: "if he is guilty of deserting that is to say, of abandoning her without her consent or against her wish". I would have been glad if the Hon. Sir Gopalaswami Ayyangar's amendment clarifying the clause and limiting it to two years or a fixed term had been included. The fourth is: "if he marries again". Monogamy is the order of the day. In 1938, if I remember aright, in the Simla session I introduced a Bill restraining polygamy and allowing a man to marry again only in certain exceptional circumstances. That Bill was thrown out. That Bill was opposed by the Government. It was opposed by the Muslim Members also. Eeven they would not allow me to introduce the Bill. All the Muslim Members combined and when I wanted to introduce the Bill, they voted against it. Rather an extradordinary procedure, but still, at the introductory stage, they opposed the Bill and the Government also opposed it from the very beginning. As I say, monogamy is the order of the day. Who would like that co-wives living in the same house should quarrel like Kilkenny cats in the house ? We have a Bengalee satire written by a well-known Bengalee author in the 19th Century about two co-wives living under the same roof and how they quarrelled and behaved in the house and made the life of the husband miserable. Then, Sir, the fifth cause is: "if he ceases to be a Hindu by conversion to another religion". This is one of the most wholesome causes. If he ceases to be a Hindu by conversion to another religion if he becomes a Muslim or a Christian, why should a Hindu woman be compelled to live with him ? I do not see any reason why she should not claim as a matter of right to live separately and to get maintenance. Then, the 6th cause is:"if he keeps a concubine is in the house or habitually resides with a concubine". This is also a very wholesome cause, so that people may not become immoral and keep a concubine in the house and at the same time compel the wife to live in the house. As regards the 7th cause I think this should be deleted. If it is deleted, this Bill may not be passed this session, but I hope that the sponsor of the Bill, Dr. Deshmukh will consult legal opinion and if it is possible to delete this clause in the next session, he should amend the Bill accordingly I find from Mulla's Hindu Law what are justifiying causes. The wife is entitled to a place of residence for her for a justifying cause, *i.e.*, if she is compelled to live apart from him. From the footenotes in Mulla's book about the decided cases "under justifying causes" I find that it is refusal to maintain, abandonment of wife, and husband's leprosy. I think these are all covered by the causes mentioned in the first six clauses. My friend Mr. Sapru said that sexual perversity might be a justifying cause. But Sir, sexual perversity certainly falls under the category of cruelty. It has been decided in various reported cases that if a man is a sexual pervert he is guilty of cruelty towards his wife. I should also like to sponsor of the Bill to include drunkenness & addition to intoxicating drugs as causes for entitling a woman to separate residence and maintenance. Intoxicating drugs and habitual drunkenness makes a man sometimes really a brute and I think a wife should not be compelled to live with a man who is habitually drunk or is addicted to intoxicating drugs and she should be given the right to live separately and get maintenance. With these words, Sir, I support the Bill.

THE HON. KHAN BAHADUR KERAMAT ALI (Assam : Muhammadan) : The members of the Muslim League Party do not oppose the Bill, because they feel that the object of the Bill is very noble. There has been some opposition from certain sections of the Hindu community, but I find that all the conditions that have been imposed in the Bill giving a right to a married Hindu wife to claim separate maintenance and separate residence are already there in the law. There is only one exception, and that is, having a second wife. Mr. Kalikar said that the clause entitling a woman to separate residence or maintenance if the husband married a second wife is very harmful to the husband. He cites an example. He says supposing through the first wife the husband could not get a son, why should he not be entitled to marry a second wife. He is correct there. But if the first wife says, "Well, I have not been able to satisfy you ; I have not been able to give you a son ; therefore you have married another wife. Let me remain free, separate from you", why should not the husband agree to that ? If the husband marries a second wife, because his first wife could not satisfy him, why should not the first wife be given the option of remaining separately from the usband ? Therefore, I think the ground advanced by Mr. Kalikar is not sound.

[Khan Bahadur Keramat Ali]

We think that the conditions given in the Bill are not at all objectionable, so all the sections of the Hindu community should support the Bill If, however, we find that there is some opposition from some section then we, the members of the Muslim League would not go into the quarrel.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) : Motion made :

"That the Bill to give Hindu married women a right to separate residence and maintenance under certain circumstances, as passed by the Legislative Assembly, be taken into consideration".

Question put : the Council divided :

AYES—16

Assadulla Khan Raisani, Hon. Sardar Bahadur Nawab.	Khurshid Ali Khan, Hon. Nawabzada.
Ayyangar, Hon. Sir N. Gopalaswami.	Kunzru, Hon. Pandit Hirday Nath.
Buta Singh, Hon. Sir.	Mahtha, Hon. Rai Bahadur Sri Narain.
Das, Hon. Mr. M. L.	Menon, Hon. Sir Ramunni.
Das, Hon. Mr. N. K.	Row, Hon. Mr. Thirumala.
Devadoss, Hon. Sir David.	Roy Chowdhury, Hon. Mr. Susil Kumar.
Hissamuddin Bahadur, Brig. the Hon. Sir.	Rup Chand, Flt./Lieut. the Hon.
	Sapru, Hon. Mr. P. N.
	Sobha Singh, Hon. Sardar Bahadur Sir.

NOES—4

Das, Hon. Rai Bahadur Satyendra Kumar.	Mukherjee, Hon. Sir Satya Charan.
Kalikar, Hon. Mr. V. V.	Surput Singh, Hon. Mr.

The Motion was adopted.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) : The debate will now proceed on the Bill clause by clause. The debate will proceed with amendments of the clauses simultaneously. Will the Hon. Rai Bahadur S. K. Das move his amendment to clause 1 ?

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS : Sir, I move that in clause 1, after item (2) the following item be inserted, namely :—

"(3) Cruelty— means beating of the wife by her husband without justifiable cause would also mean stoppage of supplies of food and clothes necessary for her subsistence and maintenance by the husband".

Sir, I have already pointed out this very morning when I was speaking on the Bill that the term "cruelty" requires clarification. While we are here to legislate it is not necessary that we should leave it to the Judge to decide as to what should be the meaning of "cruelty". Sir, in case "cruelty" is not defined it will cause litigation and encourage litigation amongst the parties who are going to proceed to the Court on the strength of this ground. Sir, it is quite meet and proper in a clause like this that "cruelty" should be defined, so that there may be no difficulty and the married woman cannot attribute any other meaning to the term "cruelty". As I have pointed out, the refusal to a woman by her husband to go to a cinema according to the wife's interpretation amounts to cruelty. Why should we leave this matter entirely to the Judge ? What are we here for ?

AN HON. MEMBER : What is "justifiable cause"?

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS : My Hon. friend enquires what is "justifiable cause". Of course, I will give him an answer and I hope he will not treat it very lightly. If a husband, who keeps a very clean character, although he is potent enough to produce children, finds that his wife is having an illicit connection with another member of his family or house or any other member of society if he to set her right and gives her a slap, is he not justified in that? He does so because he does not like to declare her unchaste and expose the family scandal outside. So, I have used the words "unjustifiable cause". I have explained the reason why I have used the word "unjustifiable".

Sir, I would appeal to the members here to take a dispassionate view of the matter and not to be guided by the march of time. We should give the matter our serious consideration and decide whether it is for us to give the definition here instead of taking the help of the Courts to decide.

*THE HON. MR. M. THIRUMALA ROW (Madras : Non-Muhammadan) : I rise to support the Motion made by my Hon. friend, Dr. Kunzru.—

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): We are talking about the amendment now.

THE HON. MR. M. THIRUMALA ROW—and to oppose the amendment moved by the Hon. Mr. S. K. Das who wanted us to define as far as possible the word "cruelty" by expanding it to mean "beating of the wife by her husband without justifiable cause" but who has not himself defined the 'beating" : whether it is to be beating by hand or with a baton ; But generally when a wife and husband quarrel one does not know what their relations are when they are all alone in the bedroom at night ! It is no use going over this matter in a lighthearted manner. I support the principle of the Bill as one that is long overdue in Hindu society. I am sorry my friend to my left, whom I claimed to be a radical member of our Party in spite of his age is able to march abreast with the political radicalism of our Party but wants to stand still with regard to social matters. I am sorry I have to differ from him and I wish he quickens his pace in social matters also to keep himself abreast of the times.

With regard to arguments adduced by my Hon. friend Mr. Kalikar, he has quoted only a part of Rau Committee's report that suited him and omitted certain paragraphs which did not suit him or which did not bear him out. I would refer him to paragraph 14, page 10, where the Committee say :—

"We realise that the advice to refrain from piecemeal legislation places the reformer in a dilemma. He is usually a man who sees some grave evil or injustice crying out for immediate remedy".

This applies to the case in point.

"If he proposes legislation limited to that single purpose he is warned of the dangers of legislating piecemeal".

(which my Hon. friend Mr. Kalikar has taken out conveniently for his argument,.

"If he suggests the enactment of an entire code in which the poposed remedy can be embodied, he is told that a code of Hindu law belongs to the age of miracles".

If we are to wait till the whole law is codified then we do not know when we are going to have it. If we want to deal with a particular grievance concerning our woman-folk then you say we are doing it piecemeal and that we should not do it.

Then again in paragraph 15 the Committee say :—

"We do not suggest that all parts of the law should be taken in hand at once".

The Hindu religion is not a religion as claimed by many of us. The Hindu law as a law is more than that. It has adapted itself to the changing circumstances and conditions of Society from ages immemorial. That is exactly the reason why the elasticity of our social life is such that it has withstood and survived many onslaughts of several civilisations, like the Muslim and the Christian.

Therefore, what I say is this, that this is a very humble attempt at giving a reasonable opportunity to woman of saving themselves from the autocracy of high-handed men. As my Hon. friend Sir Sobha Singh said, I was hoping that Mrs. Subbarayan would take her seat in this House yesterday or today, but he could not come all the way from Madras at the fag end of the session. If she had been here, I have no doubt that she would have given her wholehearted support to the Bill : and, as emanating from the heart of a portion of humanity that was oppressed by man, her testimony would have been better than opinions expressed by us mere men here.

There seems to be some difficulty about the word "loathsome". I have got a dictionary here to understand what "loathsome" means.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): We are discussing the amendment which requires the insertion of this definition in clause 1.

THE HON. MR. M. THIRUMALA ROW : For convenience of discussion and in order to save time, I will speak on the Bill as well as on the amendment.

* Not corrected by the Hon. Member.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): The Hon. Member can speak on the Bill at the third reading. He should confine his remarks at this stage o the amendment which is before the House.
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THE HON. MR. M. THIRUMALA ROW: My submission is this. I do not want to take up the time of the House a second time on the third reading; I want to co-operate with the Chairman and the rest of the House in seeing that this Bill is expedited.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): The Hon. Member's remarks are not relevant to this particular amendment.

THE HON. MR. M. THIRUMALA ROW: I have experience of public bodies where the subject-matter of a resolution as well as the amendments are allowed to be discussed together in order to save time. If you, Sir, can do the same in my favour, I shall be obliged

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): The Hon. Member can speak on the third reading. At this stage, he should cut short his remarks and confine them to the amendment.

THE HON. MR. M. THIRUMALA ROW: I oppose the amendment. I need not elaborate on what "cruelty" means. The judges are capable enough; they have enough experience of human affairs to interpret the word "cruelty" in a humane and just manner in no way prejudicial to the rights of man. With these words, Sir, I oppose the amendment.

THE HON. PANDIT HIRDAY NATH KUNZRU: Mr. Chairman, I shall reply very briefly to the arguments urged by my Hon. friend Rai Bahadur Das in favour of his amendment. He wants that cruelty should be defined as otherwise it would lead to unnecessary litigation now. I stated repeatedly and so did many Hon. Members, this morning that every in clause 2, with the exception of that which relates to a second marriage, deals with the existing practice of the High Courts. It merely states the law as it is. There is no definition of cruelty at present. Has that lead to unnecessary litigation? If it has, what were those people doing who are anxious for the safety and stability of Hindu society and who want to prevent unnecessary litigation now? They were sleeping. They were not aware of any injustice. But the moment the grounds on which the High Courts were acting were brought together in a Bill, they thought that a serious injustice was being done to Hindu men and that provisions had been inserted in the Bill which would lead to unnecessary litigation. I submit, Sir, that there can be no exhaustive definition of cruelty; the matter must be left to the discretion of the High Courts.

Again, if we were to accept this amendment, we would confer on the husband a legal right to beat his wife. Surely a husband has already too many prerogatives. Unless we think that a woman has no rights and no feelings, and is in fact not a human being at all, we cannot possibly agree to such an amendment. Our orthodox friends will not in the first place, agree to any reform of the Hindu law. If they have to agree to it, they will hedge the reform round with so many restrictions as practically to prevent any diminution of the autocracy of the husband. I do not think that any man who cares for his own self-respect or for the good name of Hindu society would suggest any amendment which would amount to a recognition on the part of educated Hindus of the right of a husband to beat his wife.

My third and last point is this. My Hon. friend Rai Bahadur Das objects to item (7) in clause 2 of the Bill.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): We have not yet come to that.

THE HON. PANDIT HIRDAY NATH KUNZRU: I think, Sir, you might depend on it that I shall not unnecessarily prolong the debate. The Hon. Member objects to item (7) of clause 2 of the Bill which confers on the Courts the right——

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): There is a separate amendment for that; the Hon. Member can speak on that at that stage.

THE HON. PANDIT HIRDAY NATH KUNZRU : I will come to that. Will you not allow me to proceed for a second ? That clause confers on the courts the right to allow a woman to live separately from her husband and to claim maintenance for any justifiable cause other than that mentioned in any of the previous clauses. And yet here he would give the husband the right to beat his wife for a justifiable reason ! He is absolutely inconsistent with himself. I think, Sir, that my Hon. friend's amendment does not deserve the support of this House.

The Amendment was negatived.

Clause 1 was added to the Bill.

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS : Sir, I move :—

'That in item (1) of clause 2, before the word "loathsome", the word "incurable" be inserted'.

Sir, my demand is a very modest one. I do not see what reasonable objection the sponsor of the Bill or the Mover of the Bill in this House can have to the insertion of this word. Sir, when you judge anything you should judge it from all viewpoints. You should not side with one party or the other. If you show an interest in favour of the wife you must show the same amount of interest in favour of the husband as well. As I have already explained, some of the diseases which come under the purview of the definition of "loathsome" are curable. So, I do not see why there should be any reasonable objection to the insertion of the word "incurable" before the word "loathsome".

THE HON. MR. P. N. SAPRU : Sir, I would very much deplore if the word "loathsome" was substituted by the word "incurable". The word "loathsome" has some meaning ; the word "incurable" I think is meaningless. Modern physicians will tell you that there is no disease which is really incurable. Even when a case is hopeless, a physician hesitates to declare it as hopeless, because he does not know all the processes of nature. Sometimes nature cures diseases. Take it from the ethical point of view. Take the case of a man who is suffering from galloping phthisis or galloping tuberculosis which is more or less an incurable disease. But I think a faithful wife who is devoted to her husband would like to serve her husband when he is suffering from such disease. That is not the time when she would claim separate residence. She would claim separate residence when he is guilty of misconduct or has got some disgraceful disease, some disease which disables him from moving in decent society That is the meaning of the word "loathsome" I therefore suggest that the word "incurable" is absolutely unsuitable and the word "loathsome" should remain.

THE HON. PANDIT HIRDAY NATH KUNZRU : Sir, I will add only one word. The Select Committee in the other House considered this matter and they declined to add the word "incurable" to "loathsome disease". They pointed out that the addition of this word would lead to serious difficulties. The Bill is not for divorce. It is only to enable the Hindu wife to live separately from her husband if she runs the risk of having her health permanently injured and I am sure that nobody will say that she should prove that her husband is suffering from an incurable disease before she is allowed to live away from him temporarily.

The amendment was negatived.

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS : Sir, I move :—

"That item (7) of clause 2 be omitted."

This does not require further elucidation. My Hon. friend Mr. S. K. Roy Chowdhury has already dealt with this matter very lucidly. I agree with the views expressed by him in the matter and I do press that this item be omitted.

The amendment was negatived.

Clause 2 was added to the Bill.

Clause 3 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HON. PANDIT HIRDAY NATH KUNZRU : Sir, I move :—

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

[Pandit Hirday Nath Kunzru]

Sir, after the debate which has taken place in this House, I do not think that it is necessary for me to say even a few words in support of the Bill before us. The views expressed by a large majority of the Hon. Members show that the Bill appeals to thier sense of fairness and that they think that in modern circumstances this Bill is necessary if a small amount of justice is to be done to Hindu women. The Bill, let me repeat once more, merely codifies the existing law. There has been objection to the last item of clause 2 but that again embodies a reason on which the High Courts are at present allowing a Hindu woman to live separately from her husband and at the same time be entitled to maintenance. It is not a new power that this Bill is conferring on the courts. Admittedly, Sir, the Courts have exercised their powers in a conservative manner. There has been no protest against the exercise of this discretion by the courts in any section of Hindu society. It is clear, therefore, that there is no provision of the Bill with the exception of that relating to the second marriage of the husband which does not deal with the existing state of things and which does not state the law as it is. It should have been unnecessary for me to state even this much. But in view of the misunderstanding that prevails in spite of the remarks that I made earlier on this subject, I thought it necessary to draw the attention of the House once more to this important fact so that every Members might feel that except in one matter the Bill was making no innovation at all and that in that matter it had the support in a large measure even of those who were opposed to it on other grounds. My Hon. friend Mr. Kalikar opposes the Bill on the ground that it would do a great injustice to those few people who were compelled to marry again. He himself said that bigamy was resorted to only in a very few cases. It is obvious then that the provision to which I am referring will not do any injustice to Hindu society in general. As regards the few people who, in my Hon. friend Mr. Kalikar's opinion ought to be allowed to marry again in the life time of their first wife let him understand that this Bill contrary to what he said is permissive. It does not compel a Hindu wife to seek separation from her husband under any circumstances whatsoever. A certain right has been conferred on her which she may or may not exercise. Where a husband considers himself according to existing notions compelled to marry again, there is no reason to suppose that his wife would leave him and go and live separately. But if there is a case like that, what is the harm if she is allowed to live separately and to claim maintenance ? The husband is not prevented from taking a second wife. The Bill does not make bigamous marriages invalid. All that it does is to enable a Hindu woman who finds herself unable to live in the same house with the second wife of her husband to live separately. It is clear therefore that no injustice is done to any member of the Hindu community whatsoever if the clause which I am discussing is accepted by the House. Sir, I move once more :—

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

THE HON. MR. V. V. KALIKAR: Sir, during the discussion on the First Reading of the Bill, my Hon. friend Mr. Sapru made personal attacks on me. He has been a very great friend of mine for the last 10 years.

THE HON. MR. P. N. SAPRU: On a point of personal explanation. I did not make a personal attack on the Hon. Mr. Kalikar, for whom I have not only a very great deal of respect but also a very great deal of affection. What I did was to attack his ideology.

THE HON. MR. V. V. KALIKAR: I desire to ignore his personal remarks. We have been very intimate friends——

THE HON. MR. P. N. SAPRU: I hope we will continue to be.

THE HON. MR. V. V. KALIKAR: We shall continue to be intimate friends. But I must make it plain to the House and those Hon. Members who are in favour of the Bill that because they have got a majority, because they think in a particular way, they cannot force their ideology on me. My Hon. friend Mr. Sapru called my speech a speech of a social die-hard. If it is not a personal attack, then I would call his speech a speech of a socialist who does not believe in any religion. I do not want to indulge in unnecessary personal attacks, because it is not my habit. I have never indulged in personal attacks during these last 14 years that I have been here——

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): What you are saying is not strictly relevant to the Bill.

THE HON. MR. V. V. KALIKAR: I am just replying to him because he has made certain attacks. He referred to the Hindu Mahasabha candidates in elections. Is it relevant to the matter before us?

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): You will have another opportunity of attacking him.

THE HON. MR. V. V. KALIKAR: I do not want to attack him. I only say that all these remarks which he made were quite irrlevant to the issue before the House. I have got one point in his speech which strengthens my argument that the Bill is defective and unnecessary, and that was about the case that he referred to, which he was arguing before the High Court. He was arguing a case about slapping in the High Court and the Judge would not take that matter into consideration, and my friend Mr. Sapru stated that if this Bill had been on the statute, then he would really have got separation and maintenance. That surely shows that my case is strong. Hasty legislation of this nature has in the past confused even the judges. Not only has it to some extent broken the structure of the Hindu society but it has confused the High Court Judges also. If I may again remind the house, the two Acts which this House passed, Acts of 1937 and 1938,—Dr. Deshmukh's Acts, were passed in hurry. The Hindu Law Committee has decided that as these Acts were passed in haste and hurry there ought not to be piecemeal legislation. Such sort of hasty legislation would not be in the interests of Hindu society. I wanted to leave these matters to an expert committee which is already there. My Hon. friend Mr. Thirumala Row stated that I only quoted those statements of the Hindu Law Committee which are in my favour. I do not want to mince matters and I again specifically bring to the notice of the House, and especially of Mr. Thirumala Row that so far as this Bill is concerned, the Committee has stated;

"In accordance, however, with our bias against piecemeal legislation, we think that this Bill also, with all the issues which it raises, should await the general review of the law of marriage which we have proposed as part of the process of codification".

What sort of codification do they require? They say definitely that the codification that they require is of this sort. On page 24 they say:

"It is a code of this kind that we contemplate: a Code which shall base its law of succession on the ideas of Jaimini rather than of Baudhayana and its law of marriage on the best parts of the Code of Manu rather than those which fall short of the best; a Code which shall recognise that men and women are equal in status with appropriate obligations as well as rights; a Code which, generally speaking, shall be a blend of the finest elements in the various schools of Hindu Law, a Code finaly, which shall be simple in language, capale of being translated into the vernaculars; and made accessible to all. Such a Code will doubtless take time and many minds will have to collaborate in its preparation. But there must be many competent men and women in India who would be glad to assist in the execution of so majestic a task affecting the personal law of nearly two hundred million people".

Here arguments have been brought forward before this House that this is codification. I know that no argument from me will satisfy those who think that this is very good legislation. Even the statement made by the Hindu Law Committee experts will not satisfy them. So, Sir, what is the use of putting forward arguments? One can put forward any number of arguments. My friend as a best lawyer can put forward a number of arguments. I can also put forward some arguments. It is no use arguing the case as we are habituated to in courts of law. But I must remind the House that up till now the Hindu women of India had kept intact their traditions of culture, of religion, of custom: and it is we, males, who have slavishly followed the western habits, western custom and western standards. By this legislation you are giving a long rope to Hindu women. Beware that your women, your girls, do not follow the customs and the mode of living of the West.

My Hon. friend Mr. Sapru made use of invectives against me; that I am not a progressive man and all those things. I do not mind it but I do not want such progress as will give a long rope to Hindu married women which will ultimately

[Mr. V. V. Kalikar]

deteriorate the whole structure of Hindu society and make the Hindu married women and Hindu girls follow the western systems of living and western customs.

Sir, I do not want to say anything more, except this that by passing this Bill this Legislature is taking a heavy responsibility on themselves by giving a long rope to the Hindu women to file suits in Courts of law. If they do not realise the difficulty now, I hope some time will come when they will realise the difficulty and will have to come to the conclusion—just as they have in regard to the Bills of 1937 and 1938—that we passed this Bill in a hurry. I therefore submit Sir that even though I am a single man in this House—even though my friend called me non-progressive and die-hard; personally I don't mind that and I shall continue my friendly relations with him as before—I must remind him that I am not a socialist changing overnight. I want to stick to the Hindu religion, the Hindu scriptures and whatever reforms you need you have to take into consideration the situation as it exists today. You have not got more than 12 per cent educated men in India and education among the females is very, very low. Unless and until you bring education to a considerably much larger number of families you, so-called social reformers, have no right whatever to thrust legislation of this kind. Your first duty is to go round about villages and in the country, to educate them and then ask them whether they really understand this Bill. Should they impress upon you the necessity of this Bill then only should you really bring forward a Bill of this nature.

My friend said that the Bill was passed in the other House unanimously. I knew that that point would be brought here and would be argued here. So I have got a copy of the speech of my friend Mr. Gole which he made in opposing the Bill in the other House. He spoke for one and a half hours and he opposed the Bill from every point of view. His point of view was that the Bill is unnecessary because whatever legislation is required is covered by the Hindu Law. The point about second marriage is an innovation and he was of the view that this Bill should be considered with the whole Code which the Hindu Law Committee is taking in hand. Therefore, Sir, so far as the other House is concerned there was no unanimity on this point.

Now, Sir, if the Provincial Legislatures had been consulted——

THE HON. PANDIT HIRDAY NATH KUNZRU: Why should the Provincial Legislatures be consulted with regard to a measure before this House? Has this ever been done before?

THE HON. MR. V. V. KALIKAR: Because the Provincial Legislatures can also pass legislation on these matters. They have concurrent jurisdiction and would be in a position to give their opinion on this. Therefore, Sir, I say that this House is taking a very grave responsibility and is acting in an undemocratic way in letting this Bill pass in a hurry. Sir, I have no other course, except to oppose this Bill.

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS: Sir, if you will allow me, I will say a few words to explain the position and the stand I have taken in the matter of this Bill.

Sir, at the very outset I did say that I was opposing this Bill not for any intrinsic demerits inherent in the Bill but that I took up my stand for clarification of the meaning of some of the words that were embodied in the Bill to avoid encouraging litigation as I find it in our province with regard to the separation between husband and wife in matters like these.

Sir, even if this Bill was not passed in this Council, even if it had not found a place in the Statute Book, these cases would have been decided, so there is no necessity on the part of our friends to make a display of such mock patriotism for the women-folk of the country, because the women-folk are still uneducated, as has been repeated by my Hon. friend Mr. Kalikar and other friends. Unless and until you educate the women-folk of our country you cannot expect them to understand the implications of this Bill and act upon it.

THE HON. MR. M. THIRUMALA ROW: Sir, I support the Motion made for the acceptance of the Bill. I do not want to deal with the details of the words and

all those things which I wanted to do at the previous stage, but I have listened to the arguments of my Hon. friend, Mr. Kalikar to see if he would give me any fresh material to reconsider my attitude. I have not, however, seen anything new in what he has said, except the emphasis of his feelings about the Bill ; not much force in his arguments. On page 22 of the Hindu Law Committee Report, which he has quoted, the Committee say :—

" The granting of separate maintenance to a superseded wife is a small reform compared with the restoration of monogamy as a rule of Hindu law in conformity with Manu's ideal of mutual fidelity until death ".

But is it monogamy under which a man enjoys the privilege of taking more than one wife to suit his convenience that is denied to a woman under the same conditions ? Here a sort of consolation is offered in this Bill for a helpless woman who is a victim of the whim and fancy of her husband and that is exactly why the keeping of a concubine has been made one of the conditions under which she will be entitled to separate residence and maintenance. I am glad, Sir, that some of my friends have not raised the same difficulty about the definition of " concubine " as they raised about the definition of the word " loathsome ". There was a time in Hindu society, I may tell you, when a man's status and greatness was measured in direct proportion to the number of women he was keeping. In Hindu zamindar families and in Hindu families of high repute, both in northern and southern India, there was a time 50 years ago when a man could openly keep concubines and was considered a big man in society. I can quote chapter and verse to prove my contention.

Again, desertion is another thing. I have known cases of desertion. I can give you a concrete example of an educated gentleman who left this country 22 years ago for America. He is a doctor. He left a married wife here. He does not think of her. He has not returned since then to his place. He is there simply writing letters to say that he is coming. She does not get any maintenance from him. There is no legal remedy for such a woman though he has practically deserted her.

THE HON. MR. V. V. KALIKAR ; There is a remedy also.

THE HON. MR. M. THIRUMALA ROW : I am simply emphasising that that girl is now condemned to enforced widowhood. I will give you another instance. There is a respectable gentleman. Let us name him A. He is married, has got a wife and three children. He goes and lives with the wife of another gentleman. He has left his wife and children in a place, and does not care for them, though he makes about Rs. 500 or Rs. 600 a month. And the husband of the second woman goes and marries another woman. These are all educated people enjoying a status in society. There is no public opinion which will condemn them. On the contrary they are received with respect in society. In Bombay, I may tell you, polygamous marriages are on the increase. Educated, well-to-do people, gentlemen of society, not being satisfied with their first wives, take unto themselves a second wife who is educated and flutters about like a butterfly. There is no remedy for the first wife, however much she dislikes the new intruder into her family. I have known of people who, under the pretext of not having children by the first wife, marry a second time and a third time without any regard to the feelings of the first wife in the house. Therefore, this is a very small reform which is sought to be introduced by this Bill, and I do not think any opposition is justifiable. The larger reform of making monogamy compulsory and a legal obligation on the part of a man is still awaiting the report of this Committee.

Sir, I do not see any reason why we should not import this reform from the West, if it is a good one. It is no use simply condemning Western civilization or Western manners because we take pride in being very progressive or because of the greatness of Hindu society. I may tell my Hon. friend Mr. Kalikar that it is very difficult to define what is meant by Hindu religion. A Vaishnavaite, a Shaivaite, a Sanatanist,—anybody who refers to the thousand and one authorities will be convinced that the versatility of the conception of the ancient Hindus was such that they have made provision for every strata of society, for every grade of opinion to find a common-platform and a common allegiance, You cannot confine into the

[Mr. M. Thirumala Row]

narrow limits of a narrow creed what is called the Hindu religion. It is bound by broad outlines of principle and practice which gives it a large amount of freedom and elasticity. Take Hindu customs and manners also. For instance, marriage is not only a legal contract; it is also a sacrament.

THE HON. MR. V. V. KALIKAR: Make it a legal contract.

THE HON. MR. M. THIRUMALA ROW: I tell you, it is 50 per cent. sacrament and 50 per cent. legal contract. Can a man who marries a second wife quote the Hindu religion in support of his action? It is practice that has gone on, and it is a powerful instument. In what is it more powerful than the other half? He has exercised his right under the pretext of religion He says: "Unless I have a son I have no *uttar janma*. My soul cannot be emancipated. Therefore, I must marry a second time. I am entitled to marry any number of wives." Therefore, these are all man-made laws and standards and social institutions, and our people have in some way, by some method, linked them with religion, so that there will be greater continuity and discipline, and so that these institutons will not act according to their whims and fancies. All these are reactionary elements in society. Still we have advanced so far that while at one time it was considered a sin to mary a girl of over 12 years, while it was at one time considered a good thing to marry a girl at the age of eight, now, after the Age of Consent Bill was passed in the Central Legislature, every Hindu father keeps his daughter unmarried even after she reaches the age of 14 or 16 or 18. Before the Bill was passed, every orthodox Hindu married away his daughter before she had attained puberty; otherwise it was considered a sin and the whole society fell on him. Fortunately for the poor father who has a large number of daughters who cannot be easily married off, this Act has come to his rescue. What has happened to Hindu religion now? A large number of people are feeling relieved on account of this Age of Consent Act.

Similarly, I have no doubt that a large number of women will welcome the present Bill. Women in middle class families who are being oppressed by well-to do husbands will have the right tomorrow to say: "I will go and live in a separate house. Give me an allowance suitable to my status" This should not be confused with divorce. Conjugal relations are not completely broken off. If a man is suffering from a loathsome disease which makes it unwholesome for a woman to go anywhere near him, she is entitled to live in a separate house. What happens today? A man has three wives: he gets three different houses; they enjoy separate residence; they enjoy separate allowances; and conjugal relations are not broken off. You do not require a law of restitution of conjugal rights. It is a peculiar law. I think it is against the grain of commonsense as well as psychology. You can never compel a woman, by passing a decree, to live with a man and restitute conjugal rights that way. You can take a horse to the water, but you cannot make it drink the water. That is the out come of the impact with the Western system. I do not thnk it is much in vogue even in the West. I am one of those who believe that a system of divorce also should be evolved and embodied in the Indian marriage system. Until then, the injustices that are heaped upon our womenfolk will not be removed.

Some of my Hon. friends have suggested that after a man recovers from a loathsome disease he can ask for the restitution of conjugal rights through a court of law. But this Bill does not contemplate any such contingency. The moment he is in a fit condition, the moment he is restored to health, there is nothing in the Bill which prevents the husband and wife from coming together. But you may say that the psychological atmosphere that separation has created will not be favourable to a reunion, and therefore they can never come together. But I can tell you one thing. The time will come when a national Government, a national-minded Government, comes into existence, and it must take care of national health. You cannot allow lepers and people suffering from other contagious and loathsome disease to perpetuate the race and infect the whole community with their disease. I am one of those who believe that Germany adopted the right course in trying to neutralise the potential capacity of such diseased persons to continue their progeny any longer. Some such measures of selection are necessary, as they are necessary

in every other field of productivity. Therefore, it is the duty of Government to see that the national health is preserved. Mere money or any other status cannot give freedom for a person who is suffering from a loathsome disease. That will perpetuate misery and disease in the community.

Apart from all that, this is a long delayed measure, and I think we are only doing the barest justice to the womenfolk by allowing them to remain separate from their husbands if they have contracted some loathsome disease. What is loathsome to man is equally loathsome to woman, and if she refuses to live with her husband who is suffering from such a disease, there is no reason why you should bring in the tenets of the Hindu religion against the poor woman and in favour of the man who is suffering from the disease.

With regard to the provision for separate residence and maintenance if the husband changes his religion, it is obvious that if she does not like it, she need not change her religion. And with regard to the last item, "for any other justifiable cause", we need not argue it at any great length; the law courts are competent enough, they have commonsense enough, to interpret it in a proper way.

Sir, I have pleasure in supporting this measure, which is an attempt to help the womenfolk of our country.

THE HON. MR. P. N. SAPRU: Sir, I have much pleasure in supporting the Third Reading of this Bill. Normally I should not have spoken on the third reading, but certain remarks which fell from my esteemed friend Mr. Kalikar make it necessary that I should make it quite clear that I was not indulging in any personal attacks on my Hon. friend. I was rather attacking the ideological social philosophy of which he was the champion and spokesman here this morning. The main emphasis of my speech was on this point that he was not representing accurately the tone, temper and spirit of real Hinduism, of progressive Hinduism. Sir, the main points in regard to this Bill need not be emphasised again. I need not go over the ground which has been covered already in our speeches before except to say that this Bill is being opposed as though it was giving to the Hindu woman the right of judicial separation. It merely gives her the right to separate residence and maintenance under certain conditions and it does not affect the question of conjugal rights.

THE HON. MR. V. V. KALIKAR: That amounts to judicial separation. It is legally judicial separation.

THE HON. PANDIT HIRDAY NATH KUNZRU: Agree to divorce then.

THE HON. MR. P. N. SAPRU: Sir, so far as cruelty is concerned, I can cite a number of cases. I have got some lawbooks with me here. The word "cruelty" is well understood in law and the amendment which was moved by the Hon. Mr. Das was quite unnecessary. He wanted to justify the right of moderate chastisement on the part of man. I suppose when a man has reached a certain age, he starts believing in the right of moderate chastisement. But I think, Sir, it is not hinted both on behalf of man and on behalf of woman that there should be any chastisement at all. I suppose Mr. Das would say that if a man does not get his dinner, he should have the right of chastising his wife. By justifiable cause perhaps he means, among other things, gross dereliction of duty such as cooking a dinner properly. We know that most quarrels between husbands and wives relate to domestic matters such as food and clothes, etc. The expression "Justifiable cause" has to be read in connection with the preceding clauses. That is how legal statutes are interpreted. "Justifiable cause" simply means any other such cause as is mentioned before. I have pointed out what such justifiable causes may be. With regard to the general question which this Bill raises, there is one consideration that I would like the Hon. Mr. Kalikar to consider. I will admit he is a very great Puritan himself. He is a very good father; he is a very good husband. We all know that. He is himself an estimable man. He is a man of very high character. We know that he would like to be just. I think, Sir, that our religion teaches us to be just to others. It teaches us to be just to our women. Manu has said somewhere that where women are worshipped, the Gods dwell. You can read the verses of Parasara and Narada. They go much further than we have gone in this Bill.

[Mr. P. N. Sapru]

We are not departing from the spirit or letter of our religion. It is not what you might call a revolutionary measure. It is wrong to say that in adopting this measure we are breaking our society. I am not afraid of modern civilisation. There is much in modern civilisation that I would like to see adopted by our society. But we are not moving towards modern civilisation by passing a Bill the main principles of which are embodied in our religion. We are not departing from the spirit and the letter of our scriptures by passing this Bill. That is what I want to emphasise very strongly. Sir, I referred to the fact that this Bill had been passed by a newly elected Central Assembly in order to show that men who have been sent up by the people feel that this Bill is in consonance with the spirit of their religion. So far as the Provincial Legislatures are concerned, they have no right to be consulted in regard to the Concurrent List. The position is that the Central and Provincial Legislatures can legislate and if the Provinces feel dissatisfied with our legislation, it is open to them to legislate for their provinces subject to certain provisions of the Government of India Act. I am quite certain of that. Therefore, we have done nothing which violates either the principle of Provincial Autonomy or the principle that the popular will shall prevail, or the principle of democratic process. We have tried to work in harmony with public opinion. This Bill reflects the popular will and therefore I give it my support.

THE HON. MR. SURPUT SINGH: Sir, I oppose this Motion brought by the Hon. Pandit Hirday Nath Kunzru at the Third Reading. The Hon. Pandit has already said that what is sought to be done in this legislation is every day being done by the high Courts. Then what is the necessity of bringing forward this Bill and thrusting this legislation on the Hindus? I oppose the Bill.

THE HON. PANDIT HIRDAY NATH KUNZRU: Why oppose it if it is the existing law?

THE HON. MR. SURPUT SINGH: The Hon. Mr. Kalikar has said that there is a Hindu Law Committee and that everything should come from them, and then considered in this House and passed, and that there should not be piecemeal legislation. I do not want to take up much of the time. Enough has been said from both sides. I strongly oppose this Bill.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): Motion made:

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

Question put and Motion adopted.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): The Council will now adjourn to 11 A.M. on Thursday, the 18th April, 1946.

THE HON. MR. P. N. SAPRU: Is that going to be the last day?

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): That will be the last day. We have got three Bills and there will be questions.

THE HON. MR. P. N. SAPRU: The Radio said something to the effect that the Assembly is continuing till the 26th.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): We have nothing to do with the Assembly. We finish our work tomorrow.

The Council then adjourned till Eleven of the Clock on Thursday, the 18th April, 1946.

COUNCIL OF STATE

Thursday, 18th April, 1946

The Council met in the Council Chamber of the Council House at Eleven of the Clock, the Hon. the Chairman (the Hon. Mr. M. N. Dalal) in the Chair.

MEMBER SWORN

The Hon. Sir Eric Conran-Smith (War Transport Secretary).

DEATH OF THE RIGHT. HON. S. V. SRINIVASA SASTRI

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) : Hon. Members, I think it is the desireof the House that members be permitted to make references to the sad demise of the Rt. Hon. Mr. Srinivasa Sastri and that after that, the House should adjourn till 3 P. M. Does the leader of the House agree ?

THE HON. SIR MAHOMED USMAN (Leader of the House) : Yes, Sir.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) : Hon. Members may now make condolence references if they so desire.

THE HON. PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan): Sir, this morning's papers have brought us the sad, very sad news of the death of the Rt. Hon. V. S. Srinivasa Sastri. He had been in failing health for a long time but the end was unexpected and, whatever his age, the news of his passing away at this time will be received by every wellwisher of the country with the deepest regret. Mr. Sastri enjoyed no advantage of wealth or birth. He was an entirely self-made man and rose to a very high position in his country entirely by virtue of his intellectual gifts and the force. of his character. It was his desire to serve his country that drew him to the Servants of India Society and made him Gokhale's greatest disciple. I think so long as he lived the Servants of India Society was known by his utterances and achievements.

I need not, Sir, on this occasion, recount the important periods in his career because they are all fresh in our minds. We all know that he played a notable part in connection with the Montagu-Chelmsford Reforms. He was perhaps the greatest leader of our country of that time, who voiced the aspirations of India for a quick advance towards complete self-government. By his ability and his oratory and by his capacity to see another man's point of view he won a position all his own not merely in this country but also abroad and particularly in the Dominions. He was unquestionably one of our greatest men and, whatever his views on any particular occasion might have been, the country read his pronouncements with the deepest respect and expected him to shed light on the more important issues at every critical juncture during the last five or six years. His interest in all that related to the country and to the public good was undimmed till the last. Those who knew him are aware of the fact that till the last day of his life he was engaged in hard work, from morning till evening, on questions connected either with the political advance of the country or its social and cultural interests. Though bodily infirmity had prevented him from touring the country as he used to previously, he did what he could from his desk to lead the country aright and to advise his countrymen to follow a path which would lead to the freedom and greatness of the country. The passing away of such a man, Sir, will be regarded as a great loss at any time but it is particularly regrettable that he should have passed away at this time when we need the advice and example of men who by their sweetness of disposition and by their character and by their capacity to sympathise with others could exert an appreciable influence on the future course of events. In him, Sir, we have lost one of the greatest sons of the country and it is but right that this Council, of which he was the most illustrious member for five years, and whose association with it has continued to shed lustre on it should express its sorrow over his death and resolve to adjourn.

THE HON. SIR MAHOMED USMAN (Leader of the House): Sir, I beg to associate myself with all that my Hon. friend Pandit Kunzru has just now said about the late Mr. Srinivasa Sastri. In his death India has suffered an irreparable loss. I entirely agree, Sir, that the House should adjourn as a mark of respect to the memory of one of the greatest men of India.

BRIGADIER THE HON. SIR HISSAMUDDIN BAHADUR (Nominated Non-Official): I beg to associate myself with all that has been said about the late Mr. Sastri.

THE HON. MR. P. N. SAPRU (United Provinces Southern: Non-Muhammadan): Perhaps you will allow me to pay a personal tribute to one who stood in the relation of an uncle to me. I knew Mr. Sastri ever since 1915 as one of the closest friends of my father and it was one of the rare privileges of my life to know him, to share his thoughts and to feel that we had in him a wise leader. When I was at Oxford in 1919, he visited our University. We arranged for him a very big function at the Union and the Master of Balliol, Mr. A. L. Smith, presided over it. He spoke of India and the Empire, but such was the marvellous eloquence of his speech, such was the perfect diction of his oration, that the Master of Balliol, in proposing a vote of thanks to him, said that he regretted that he was not at Oxford to teach the English language. He said that he had seldom heard the English language spoken as it had been by Mr. Sastri.

Not only was Mr. Sastri a very great orator whose language could not be improved upon, but he was also a very great ethical force in the public life of this country. He lived a life dedicated to the service of high ideals, and he was sincerely and absolutely devoted to the political, social and economic advancement of this country. In him Indian liberalism, such as it is, found its highest expression. He was one of the tallest and greatest of all men, a man who raised the stature of our country in the international world. When he went to Washington for the Disarmament Conference, he was rated, I think, by no less a judge than Mr. Balfour, as one of the greatest orators of the world. He got unsought honours from the British Government. He was a Privy Councillor, and a Companion of Honour. But those titles did not affect his patriotism, the deep burning passion for the independence of this country.

The last time that I had the honour and the privilege of meeting Mr. Sastri was when I was in Madras about a year and six months back. I went to him on two occasions during my stay there to pay my humble respects to him and he was good enough to give me the benefit of his wise counsel on all matters which affected the welfare of this country. This Council had no more illustrious member than Mr. Sastri. He lent lustre to it by his presence, and we who were intimately associated with him looked to him as our leader outside this House. We sincerely and deeply feel his loss. We feel that we have lost one of the pillars of our nation here in this country. It is difficult for me on this occasion to say very much more, and I would like, Sir, just to pay my humble tribute to one of the most remarkable personalities it has been my privilege in life ever to meet.

*THE HON. SAIYED MOHAMED PADSHAH SAHIB BAHADUR (Madras: Muhammadan): Sir, on behalf of myself and of the Muslim League Party I join in the tribute which has been paid to the memory of the Right Hon. Srinivasa Sastri. By his passing away India has lost one of her greatest sons. As has been observed by the previous speakers, the Right Hon. Mr. Sastri was one of the towering personalities in the public life of our country. He had a rare combination of qualities in him. He combined in himself the impassioned eloquence of a great orator and the scholarly erudition of one of the greatest educationists in the country, and besides that, he was also one of the soundest and greatest statesmen of his age.

The Right Hon. Srinivasa Sastri was loved and respected not only because of his intellectual greatness, but also because of the loftiness and nobility of his character. He was one of those sound politicians who never allowed themselves to be carried away by the storms of controversy; he always kept his head cool and collected and was always one of those on whom our country depended for right guidance and sound advice. It is really very regrettable that at this moment, when

* Not corrected by the Hon. Member.

persons of that catholicity of mind, of that broad outlook on life, of that sound and sober judgment, are required,—it is highly regrettable that at this very critical moment the hand of death has snatched him away from our midst.

I had the privilege of being one of the colleagues of the Right Hon. Srinivasa Sastri in this House also. When I first entered this House, the Right Hon. Srinivasa Sastri was one of the members. He was, as has been observed by my Hon. friend Pandit Kunzru, the most illustrious non-official member of this House. His activities have been very many and of a varied character. From the day he entered public life to the very last moment of his life he devoted himself, he dedicated himself entirely to the service of his country, and I may even say, to the service of humanity. Sir, he served not only the people who were his compatriots in India itself; he tried to do what he could, and did indeed something very substantial, even for his nationals who had settled abroad. His services to the people in South Africa are only too well known to need any repetition on my part. In short, his great qualities of head and heart, the great services that he rendered to the country and to the people and to the outside world also, are too numerous for me to be able to make even a brief reference to them on an occasion like this when we have only a few minutes to make our references to his memory.

In short, Sir, Mr. Sastri died full of years and full of honours. As I said, it is very sad that at this moment we have lost him, because his death has caused a void in the public life of this country which it would take very many years to fill. I request you, Sir, on behalf of our party, to convey our condolences to the bereaved members of his family.

THE HON. SIR N. GOPALASWAMI AYYANGAR (Madras : Non-Muhammadan): Mr. Chairman, I wish to associate myself with the feeling tributes that have been paid to the memory of the Right Hon. Srinivasa Sastri who passed away early last night. When I saw him before I left Madras, I realised that his physical condition was one which gave cause for grave anxiety. But, Sir, he had been to hospital for over six weeks and had come back home discharged from the hospital. He had rallied and, as he had done many times before, it was hoped by myself and many friends of his that he would be spared for several years to come. God has willed otherwise and he has passed away. I have been too near him during the last three years to be able to speak with coherence and sufficient detail about him, his life and his achievements in life. He brought to his work, Sir, a personality which defeated description. My memory goes back 43 years when he was only Head Master of a High School in Madras. His heart was not in his job at that time. He was very anxious to inform himself on public affairs of every description. And, Sir, with his help and the help of a number of his friends we organised a Study Circle and we used to meet a number of times every week in order to exchange our thoughts and the results of our studies of public affairs of every description. I can remember, Sir, Srinivasa Sastri sitting at the Round Table round which we gathered. In those days he was not very articulate. He used to be mostly receptive and he took in all the information that the members of the Study Circle gave him and equipped himself preliminarily for the life that he proposed to dedicate himself to when the late Mr. Gokhale arrived in Madras and addressed a mammoth audience and called for political missionaries for doing the work of the country. It so happened, Sir, that I was at that big gathering, having only recently graduated from the University, and if God had willed it, probably I would have passed into the Servants of India Society myself and my life might have been very different from what it has been for the last 40 years. But circumstances stood in the way. Two years later, Srinivasa Sastri got himself introduced to the late Mr. Gokhale and got later on admitted into the Servants of India Society. We know the great work that he has done, first as a mere member and later on as the First Member of that Society. His work in South Africa stands out. His work in connection with the Montagu-Chelmsford Reforms is part of India's recent history. He brought to his task, Sir, an intellect whose characteristic was clearness in every sense of the word. He never accepted a view unless he had analysed it and looked at it from all points of view and had convinced himself that that was the right view to take. When he did take such a view he put it in language which captured the imagination of those whom he was privileged to address. He perhaps was

[Sir N. Gopalaswami Ayyangar]

not, sir, cut out for administrative office. Perhaps the qualities required for that sort of thing he did not possess. He perhaps also was not a man who was likely to be the leader of large masses of people in the country. He was not cut out for that either. But, sitting round a table, carrying on a quiet conversation, exercising to the full his persuasive powers, he was a force in bringing about right understanding of problems, a force which is scarcely equalled by any other whom we have known. Sir, Madras Province has lost one of its big men; India has lost a statesman; the world has lost one the greatest orators in the English language. At a juncture like this, India could illafford to lose the wise counsel and the sage leadership of a man of his stature in public life. To me, Sir, it is a personal loss. He reserved for me a warm and affectionate friendship which I shall treasure throughout life. And, Sir, when I get back to Madras, I shall experience a void which I do not expect to be able to fill during the rest of my days. Let us pay our most sincere tribute to his memory and let us hope that his example will inspire all those who come forward in public life to lead the country and guide it aright.

THE HON. SIR DAVID DAVADOSS (Nominated Non-Official): Sir, let me add my tribute to the late departed Rt. Hon. Srinivasa Sastri. My recollection goes back to probably 1913 or 1914 when I first met him. He was then a school master. Then he was nominated to the Madras Legislative Council where he made his mark. Sir, I remember that in 1921, when I happened to be in England, the Rt. Hon. Srinivasa Sastri was given a reception at the Guild hall by the Lord Mayor and the speech which he then delivered made a profound impression upon the English people that a man from the East could speak so well. Not only his oratory but the substance of what he said really caught the imagination of the English people. He came in contact with Montagu in 1917 and the way in which he put the case for reforms won the admiration of Montagu and from that time Montagu always took his advice whenever he wanted to do any thing. Sir, his work in South Africa is well-known and I do not think I should take up the time of the House by referring to that in detail. He did much for our people in South Africa and he was sent again to Malaya to do the same kind of work. All his life he did all that he could for the betterment of the condition of the people in the Colonies and elsewhere. Sir, he was a man who was endowed with a brilliant intellect, and as my Hon. friend Sir Gopalaswami Ayyangar said, he was one of the brightest orators in the English language. I do not think we shall find another for many years to come who could be said to be as good a master of the English style as Srinivasa Sastri. It was expected that he would live for some years longer. No doubt he had some trouble with his heart, but he went to hospital and he returned almost cured. But God willed otherwise. Sir, we request you to convey our condolences to the members of the bereaved family.

*THE HON. MR. M. THIRUMALA ROW (Madras: Non-Muhammadan): Mr. Chairman, on behalf of myself and my party I wish to associate myself with the sentiments of grief that have been expressed here at the passing away of the Rt. Hon. Srinivasa Sastri, a great man from every point of view. Sir, Madras has lost one of the elder statesmen to whom members of every party used to turn for advice and consultation on critical occasions. He was one of the products of the impact of mid-Victorian Liberalism on the educated mind of this country during the middle of the last century and he had always extracted admiration from the English-speaking people of the world by the extraordinary command he had over a language which was not his own. He had an abiding faith in the good intentions of the British Government, and at a time when representatives of the British Government have come down to this country to translate the faith which he had held tenaciously all his life into concrete action, God has snatched away the Rt. Hon. Srinivasa Sastri from the scene of life. If he had survived a little longer, I think he would have had his faith justified by the events to come. I am reminded of an incident which happened some 40 years ago on which I have no personal knowledge. It shows how accident shapes our life. In the year 1905 in Cocanada when they were to have a Principal for the Pithapur Raja's College, there was a huge controversy raging between the orthodox section of the management and the reformed section. One

section wanted to bring the Rt. Hon. Srinivasa Sastri as Principal of the College from the headmastership of the Hindu High School ; and another section wanted to bring Sir R. Venkatarathnam Nayudu as the Principal. The reformed section ultimately succeeded and Sir R. Venkatarathnam Nayudu completed his career as an educationist. That was the turning point in the life of Srinivasa Sastri, for whom a larger field was reserved to serve his country from every vantage point. Sir, not only that, his uniqueness is evident in the fact that he was one of the greatest friends of Mahatma Gandhi. I may tell you that when this sad news was communicated from Madras at midnight to Mahatma Gandhi, he called a representative of Madras in the early morning today at 5 o'clock and expressed to him that it was one of the saddest bereavements to have lost the Rt. Hon. Srinivasa Sastri. We all remember, Sir, when Mahatma Gandhi underwent an operation in the Poona hospital at the hands of Col. Maddox—while in prison, he was given the option of calling to his side one of his nearest and dearest friends or relatives ; and at once he gave the name of Srinivasa Sastri who was then in Poona to stand by him during the period of the operation. That gives us an inkling of how great minds, irrespective of minor differences of policy and politics, can work on the same plane of cordiality and friendship ; and I have no doubt that the Rt. Hon. Sastri's soul would have had greater peace if it had been given a little longer lease of existence in this world.

I entirely associate myself with the sentiments expressed by my Hon. friends on behalf of my Party.

THE HON. RAJA CHARANJIT SINGH (Nominated Non-Official): Mr. Chairman, I wish to associate myself with the tributes which have been paid to the memory of the late Rt. Hon. Srinivasa Sastri. He was a great orator and his contribution to the debates of this House were of a very high order. Everyone listened to him with great respect. By his death I have lost a great personal friend.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) Hon. Members, the Chair joins in the well deserved tribute you have paid in such felicitous terms to the memory of this departed leader and statesman, the late Rt. Hon. Srinivasa Sastri. It is needless for me to recount at any great length the services he has rendered to this country, as they are fresh in our memory. He was respected and held in great esteem by all political parties and communities in this country ; and in the death of this veteran leader, we have lost his shrewd and sagacious counsel ; and as one of India's greatest statesmen, he will be deeply missed. I assure Hon. Members that the sympathy of this House and our deep sense of sorrow and condolence, with a record of today's speeches will be forwarded to his bereaved family.

The Council will now adjourn till Three of the Clock.

The Council then adjourned till Three of the Clock.

The Council re-assembled at Three of the Clock, the Hon. the Chairman (the Hon. Mr. M. N. Dalal) in the Chair.

QUESTIONS AND ANSWERS

GRANT FOR BOAT-BUILDING OPERATIONS

303. THE HON. MR. SURPUT SINGH: Will Government state:

(*a*) The amount which was advanced to the Bengal Government by the Government of India for boat-building operations for the relief of those who were deprived of their boats for emergent military reasons, which then existed ?

(*b*) The extent of that amount ?

(*c*) The names of officials of the Bengal Government who were put in charge of those operations ?

(*d*) The amount or amounts each was entrusted with for the purpose ?

(*e*) The way in which those operations were carried out ?

(*f*) The names of person or persons to whom the contracts for boat-building were given ?

(*g*) Whether well-known firms of boat and ship builders, such as John Kings, Kilburns, Hooghly Docking & Engineering Works, Burns and East Bengal Steam Navigation were approached to undertake the work before those persons were entrusted with it ?

(*h*) The special aptitude or qualifications the selected contractors possessed to carry out the work ?

(*i*) Whether Major Wakeley of the Civil Supplies Department of the Government of Bengal had any part in the business ?

(*j*) How far he has discharged his part in the matter ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (*a*) and (*b*). No grant was made to the Bengal Government for boat-building operations in Bengal; so the question of advances does not arise.

(*c*) to (*j*). These are matters for the Bengal Government.

REMOVAL OF INDIAN NURSES FROM THE COMBINED INDIAN MILITARY HOSPITAL IN DEHRA DUN

304. THE HON. RAJA YUVERAJ DATTA SINGH: (*a*) Is it a fact that in the combined Indian Military Hospital in Dehra Dun there are about 700 Indian military personnel and only about 50 Britishers ?

(*b*) Is it a fact that all the Indian nurses and Sisters, who were duly qualified have been discharged *en bloc*, while the European nurses are being retained, and additional European nurses have been transferred from other stations to the Dehra Dun Hospital ? If so, why ? Will Government give accurate figures of the nurses discharged, both Indian and European ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (*a*) No, Sir. On the 24th February, 1946, there were 505 military personnel in the Combined Military Hospital at Dehra Dun, of whom 470 were Indians and 35 British.

(*b*) The term "Sister" in the nursing service denotes a rank and there were no Indian sisters in the hospital; the only Indians on the nursing staff of the Combined Military Hospital at Dehra Dun were 5 of the 8 locally recruited members of Auxiliary Nursing Service. The other 3 were Anglo-Indians.

It has recently been decided to discharge all locally recruited members of the Auxiliary Nursing Service with one month's notice in accordance with their contracts, because such personnel could be employed only in stations in which they had chosen to serve. With the end of hostilities and the closing of many hospitals, a large number of nursing officers and General Service A.N.S. Nursing Cadets became surplus to requirements and they all had to be posted to the hospitals which are functioning. This naturally led to a situation in which the services of the local service A.N.S. members could be dispensed with the orders were issued accordingly. There was no discrimination in the discharge of locally recruited members of the the A.N.S. Of the 171 members discharged, 83 were Indians, 27 Europeans and the rest were Anglo-Indians.

It is the object to provide sufficient Indian nurses to nurse all Indian soldiers; but sufficient Indian women who are ready to accept general service terms have never yet been available.

CLUBS FOR I.O.Rs. AND B.O.Rs. IN MALAYA

305. THE HON. PANDIT HIRDAY NATH KUNZRU: Are the clubs for I. O. Rs. and B.O. Rs. in Malaya under NAAFI ? If so, has it got any Indian commissioned officers at its headquarters ? If not, what steps do Government propose to take to rectify this defect ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Only some of the clubs for I.O.Rs. and B.O.Rs. in Malaya are provided by NAAFI. There are others which are run by various philanthropic bodies such as the Y.M.C.A., Toc H and the Catholic Women's League. NAAFI is a civilian organization. Some of the managers of the philanthropic bodies are Indians, but none of the officers at NAAFI head quarters is an Indian commissioned officer. The Govt. will address NAAFI on

the subject and suggest the desirability of appointing one or more Indian commissioned officers to its headquarters in Malaya.

BRITISH AND INDIAN OFFICERS OF THE INDIAN ARMY DUE TO RETIRE

306. THE HON. PANDIT HIRDAY NATH KUNZRU: Will Government state the number of regular British and Indian officers, respectively, in each grade in the Indian Army who are due to retire under peace-time rules?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: The number of Regular British officers in the Indian Army, including the I.M.S., who are due to retire by the 31st December 1946 under the peace-time rules are 9 colonels, 201 lieut.-colonels and 16 majors. The corresponding figures for Indian officers are 2 colonels, 4 lieut.-colonels and 9 majors.

THE HON. PANDIT HIRDAY NATH KUNZRU: Will His Excellency give again the information regarding the retirement of Indian officers? I could not hear him.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: 2 colonels, 4 lieut.-colonels and 9 majors and of those, 2 colonels and 4 lieut.-colonels belong to the I.M.S.

THE HON. PANDIT HIRDAY NATH KUNZRU: What are the figures for the I.M.S. among British officers?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: British officers I.M.S.: colonels and 3 lieut.-colonels.

COMPENSATION GIVEN TO OWNERS OF REQUISITIONED HOUSES

307. THE HON. MR. SURPUT SINGH: Will Government state:

(*a*) Whether in places where house properties were requisitioned by the military authorities in Calcutta and suburbs and where the proprietors did not agree to accept the monthly rent as settled by the Land Acquisition or the Military Department concerned, what was the percentage of advance fixed for compensation by Government in such cases?

(*b*) What was the percentage of the payment which was first sanctioned tentatively where the proprietors wanted advances towards compensation pending arbitration?

(*c*) Whether these advances were reduced to 50 per cent. ultimately?

(*d*) If so, the reasons for such reduction in the advance?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (*a*) and (*b*). Where proprietors do not agree to accept the monthly rent offered by the requisitioning or hiring authorities the local Revenue Officer has been authorised by the Government of India to make advance payments up to a maximum of 80 per cent. of the sum which, in his opinion, is likely to be the ultimate rent fixed.

(*c*) In Calcutta 50 per cent. is at present being paid in all cases.

(*d*) Information has been asked for from the Bengal Government and it will be placed on the table of the House in due course.

THE HON. MR. SURPUT SINGH: What is the reason, Sir, for reducing the amount from 80 per cent. to 50 per cent. in Calcutta?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I have said that the information has been asked for from the Bengal Government.

DEMOBILISATION OF ROYAL INDIAN AIR FORCE OFFICERS

308. FLIGHT LIEUT. THE HON. RUP CHAND: Will Government state:

(*a*) Whether it is a fact that Indian Air Force officers of the Technical Branches are being demobilised? If the answer is in the affirmative, how many of these officers will be demobilised?

(*b*) Has full consideration been given to the fact that whereas it takes about 12 months to train a pilot, it takes years (5 to 10 years) to make a good technical officer ?

(*c*) Is it a fact that most, if not all, the technical officers under demobilisation have been trained in England, *i.e.*, have undergone officers' training courses at R.A.F. Training Centre before coming to India, and that R.I.A.F. will be loosing the best technical skill, if these officers were demobilised ?

(*d*) Is it a fact that Electrical Branch of the technical side is totally abolished and some of the officers of this Branch have already resigned or otherwise left the service ?

(*e*) Is it a fact that 3,000 British officers will be maintained out of 1946-47 Indian Budget, whereas 700 out of the present strength of 1,600 Indian officers will be demobilised ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (*a*) General release of Royal Indian Air Force officers of the Technical Branches has not yet begun but officers who expressly desire to leave the service are now being released. The post-war size of the R. I. A. F. is at present being re-appreciated and until the size of the force is finalized I cannot say how many technical officers will eventually be released.

(*b*) Yes, Sir.

(*c*) Only a proportion of the technical officers of the R. I. A. F. have received part of their technical experience in England. All such officers who desire to stay on in the service are considered by a specially constituted Grading Board, followed by a special Selection Board with the idea of selecting the best officers for retention in service. The majority of the officers on these Boards are Indian.

(*d*) It is not a fact that the Electrical Branch has been abolished, though the post-war requirements of Electrical Engineer Officers will be very small. Only three such officers have so far been released.

(*e*) Of the 3,000 R. A. F. officers covered by the 1946-47 Budget a large proportion are not really part of the permanent Post-war India Command but are necessary for the maintenance of Air Command South East Asia and for the whole process of repatriating R. A. F. personnel to British, disbanding Base Air Forces South East Asia and unwinding the R. A. F. war machine in India. They are, therefore, only remaining in India to clear up the aftermath of war and they represent a purely temporary phase.

Government have already announced that the minimum strength of the post war R. I. A. F. will be 10 squadrons plus the necessary ancillaries to maintain a balanced force and emphasised that this force would be expanded as rapidly as conditions permit and personnel becomes available.

The fulfilment of this promise is naturally contingent on a sufficient number of officers and men of the requisite qualifications coming forward to fill the units and establishment. We have had considerable difficulty during the war in getting enough Indian officers, particularly pilots, of the right type to fill the 10 squadrons but it is hoped that we shall not be faced with a similar difficulty in future.

The minimum air force which it is considered necessary to keep up in peace in order to ensure the initial security of India in the event of attack is naturally considerably in excess of ten squadrons and the idea is that this excess shall be furnished with the agreement of H. M. G. in the U. K. by the R. A. F. It is the policy of Government to increase the strength of the R. I. A. F. as rapidly as the supply and training of Indian officers and men and other conditions will permit, the number of R. A. F. squadrons being reduced in proportion until the R. I. A. F. becomes entirely responsible for the local defence of India. The present strength of the R. A. F. in India bears little relation to its proposed future establishment as it is in the process of being demobilised and reduced at a rapid rate.

Of the 1,384 Indian officers of the R. I. A. F., 955 have signified their desire to serve on and it is the intention to retain as many of these as possess the requisite qualifications and can be fitted into the final post-war establishment. Up to date only 108 officers have, in fact, been released while 107 officers have been selected,

subject to medical fitness, for permanent commissions. In addition, Government have recently announced the introduction of a Short Service Commission Scheme for the R. I. A. F. In order to create as large as possible a War Reserve, 2/3rds of the total number of R. I. A. F. officers will be given such Short Service Commissions.

I can assure the House that Government will not demobilise any R. I. A. F. officer who possesses the requisite qualifications, and is prepared to accept either a permanent or Short Service Commission and who can be fitted into the permanent peace-time establishment.

THE HON. PANDIT HIRDAY NATH KUNZRU: What is the number of men that will be required annually for permanent commissions?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I would have to have notice of the question.

DISAPPEARANCE OF I.N.A. RECORDS FROM G.H.Q.

309. THE HON. RAJA YUVERAJ DUTTA SINGH: Is it a fact that some persons have been arrested and confined in Red Fort, Delhi, in connection with the disappearance of certain I. N. A. records from G. H. Q.? What are the facts of the case and the names of the persons arrested?

THE HON. MR. A. E. PORTER: One Chandra Bal of Simla was arrested in Delhi on 21st December 1945 in connection with attempts to purchase poisons for unlawful purposes and was detained in the Red Fort, Delhi. As a result of disclosures made by him one Kewal Krishan was arrested in Simla on 26th December 1945 and brought to Delhi where he was detained in the Kotwali Police Station. The statements made by these two men indicated that they had taken part in the theft of certain files relating to Indian National Army matters from a General Headquarters Office in December 1945. Both were released on 30th January 1946.

THE HON. PANDIT HIRDAY NATH KUNZRU: Sir, I do not want to ask my question No. 310 as a similar question was answered some time ago.

APPOINTMENT OF BRITISH OFFICERS TO THE ROYAL INDIAN NAVY

311. THE HON. PANDIT HIRDAY NATH KUNZRU: (*a*) Is it a fact that Government propose to appoint 300 British officers to the Royal Indian Navy? If so, why is this step being taken?

(*b*) What are the terms on which these officers will be appointed?

(*c*) Will Government state the categories to which they belong and the number of officers they propose to appoint in each category?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (*a*) No, Sir. The Secretary of State for India has been approached with a view to obtaining on loan the services of 200 British Commissioned and 70 British Warrant Officers. It is by no means certain that the Admiralty will agree to provide them, and in any case it is not the intention to obtain all these officers immediately. Requests will be made for them as and when required to meet naval commitments. The proposal is intended to ensure that the post-war Royal Indian Navy is adequately manned by technically qualified and experienced personnel in the initial stage, and offers the best solution for filling up temporary vacancies without prejudicing the Government of India's policy of progressive nationalisation. The same policy was followed in the early stages in the case of the Australian navy.

(*b*) The terms and conditions of service of those Royal Naval officers who may be seconded to the Royal Indian Navy are being discussed at present.

NOTE.—Questions of the Hon. Raja Yuveraj Dutta Singh were put by the Hon. Pandit Hirday Nath Kunzru and those of the Hon. Mr. N. K. Das by the Hon. Rai Bahadur S. K. Das.

(c) Tentative classification is as follows :—

Commissioned Officers

Executive	115
Supply and Secretariat	35
Engineering	20
Electrical	30
Total	200

Warrant Officers

Gunners	3
Gunners (T)	6
W/Tel.	4
W/Elec.	16
W/Engineers	34
W/Shipwts.	4
W. O. O.	3
Total	70

THE HON. PANDIT HIRDAY NATH KUNZRU : What do the 115 officers to whom His Excellency first referred do ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : They are executive officers. They are non-technical officers. They may be gunnery officers or watch-keeping officers.

THE HON. PANDIT HIRDAY NATH KUNZRU : If they are executive officers only, why has it been considered necessary to import them from England ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : As I have explained, it is not considered necessary to import them ; but we have asked the Admiralty if they can provide them should they be required. There is no intention of importing them all at once. If we do not want them, we shall not ask for them.

THE HON. PANDIT HIRDAY NATH KUNZRU : Why do the Government of India feel that they may require 115 executive officers from England ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : Because there are not sufficient Indian officers qualified to take on these duties at the present moment.

THE HON. PANDIT HIRDAY NATH KUNZRU : Could they not take officers from the R. I. N. V. R. and give them some training for these jobs ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : Certainly, if they are qualified and are willing to come, we will do it.

PROMOTION IN THE POSTS AND TELEGRAPHS DEPARTMENT

312. THE HON. MR. N. K. DAS : (*a*) Will Government state whether "favouritism" to a particular official or to a particular sect is still considered illegal by Government ? If so, are Government aware of any instance of favouritism done to any particular sect in the P. & T. Department of the Government of India ?

(*b*) Will Government state the number of accelerated promotions which have been given to officers in the P. & T. Department within the last three years and state how many of these were given to (*i*) Anglo-Indians, (*ii*) Indian-Christians, (*iii*) Scheduled Castes, (*iv*) Sikhs, (*v*) Muslims and (*vi*) Hindus ?

THE HON. SIR MAHOMED USMAN : (*a*) The reply to the first part of the question is in the affirmative and that to the second part is in the negative.

(*b*) The information is not readily available and its collection would involve an undue expenditure of time and labour incommensurate with the results. All promotions are made according to principles laid down by Government.

RULES REGULATING CLOTH RATIONING

313. THE HON. MR. SURPUT SINGH: Will Government state:

(*a*) The reason for the anomalies and distinctions which prevail in different provinces in the matter of cloth-rationing?

(*b*) Whether it is a fact that a cloth ration card-holder is entitled to buy cloth (shirtings and coatings, voil, etc.) worth Rs. 10 to Rs. 30 in some places, if so, the reason therefor?

(*c*) Whether it is a fact that till February last coarse varieties of mill-made cloth (sheetings, etc.) were exempted from rationing control in Delhi, while such varieties have suffered such control in Bengal for a long time past; if so, the reason therefor?

THE HON. SIR MAHOMED USMAN (on behalf of Industries and Supplies Deptt.): (*a*) While the Government of India have encouraged Provincial Governments to introduce cloth rationing in their territories, they have never sought to lay down the detailed manner in which Provincial Governments should operate their cloth rationing schemes. This matter is left to the discretion of Provincial Governments in the light of their far greater knowledge of local conditions, etc.

(*b*) I have no information.

(*c*) Yes, Sir; as I have already said in answer to part (*a*) of the question, the operation of their rationing schemes is left to the discretion of Provincial Governments.

THE HON. PANDIT HIRDAY NATH KUNZRU: What is the basis on which cloth is rationed? Have the Government of India fixed the number of yards of cloth to be given to each individual in every province?

THE HON. SIR MAHOMED USMAN: I must ask for notice.

THE HON. MR. SURPUT SINGH: Regarding the fact that in Delhi mill-made coarse cloth was given without permit, what is the reason for stopping that from the 1st March?

THE HON. SIR MAHOMED USMAN: I must obtain that information from the Province.

THE HON. MR. HOSSAIN IMAM: Delhi is a Centrally administered area.

THE HON. SIR MAHOMED USMAN: Yes. But, as I have said, this is a matter left to the Provincial Governments, and if any information is wanted, I must ask for it from the Provincial Governments.

DELAY IN ISSUE OF FOOD RATION CARDS

314. THE HON. MR. SURPUT SINGH: Will Government state:

(*a*) The reason for the unreasonable delay experienced by private individuals in getting new food ration cards in New Delhi?

(*b*) Whether Government will take steps to check such delays in future?

THE HON. SIR JWALA PRASAD SRIVASTAVA: (*a*) and (*b*). There is no unreasonable delay in the issue of new ration cards in New Delhi, the maximum time-limit being 3 days. In cases where the application is certified by a Gazetted Officer or a Magistrate, cards are given within 12 to 24 hours. In cases of extreme urgency, a provisional card is given immediately. Temporary cards for visitors are generally issued within 24 hours and "7 days visitors" cards are issued almost immediately. Delays are sometimes caused by the applicants having furnished incomplete information or having failed to fill the form properly.

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS: Is it a fact that in some cases the party had to wait for 8 days for the receipt of the ration card from the office?

THE HON. SIR JWALA PRASAD SRIVASTAVA: No, Sir.

THE HON. RAI BAHADUR SATYENRA KUMAR DAS: I have got instances.

THE HON. SIR JWALA PRASAD SRIVASTAVA: If my Hon. friend will report a case like that to me I will look into it.

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS: Dr. B. C. Guha in Connaught Circus.

THE HON. SIR JWALA PRASAD SRIVASTAVA: Can you give me more particulars. I will inquire into it.

THE HON. RAI BAHADUR SATYENDRA KUMAR DAS: Very well, I will give you.

DIFFICULTY EXPERIENCED BY THIRD CLASS PASSENGERS IN PURCHASING TICKET

315. THE HON. MR. SURPUT SINGH: Will Government state:

(*a*) Whether extreme difficulty is experienced by third class passengers in the matter of purchasing their tickets from the booking office by reason of the prevailing practice that the ticket-counter will open only when the line clear comes from the next station?

(*b*) If so, whether an inquiry into such difficulties will be undertaken and matters remedied?

THE HON. SIR ERIC CONRAN-SMITH: (*a*) Government are not aware of any difficulty experienced by third class passengers in purchasing their tickets from the booking offices for the reason stated, nor are they aware of the alleged prevailing practice of opening ticket windows only when the line clear comes from the next station. The rules of railways provide that booking offices shall be open at prescribed times prior to the arrival and departure of trains.

(*b*) In view of the reply to part (*a*) of the question, this does not arise. I am however arranging to have copies of the question and the reply sent to Railway administrations.

THE HON. MR. SURPUT SINGH: Will the Government inquire into this? As a matter of fact tickets are not issued.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal): You must put the supplementary question in the proper form. Don't make a statement. What is the information you require?

THE HON. MR. SURPUT SINGH: The reply has been given that Government are not aware of any difficulty being experienced. Will the Government inquire into the matter, because I know that the booking offices are always closed and are opened only when the line clear is given. That is so on many stations on the B. & A. Railway, the E. I. Railway and the O. T. Railway.

THE HON. SIR ERIC CONRAN-SMITH: May I suggest that if the Hon. Member has got a concrete instance of a railway ticket office not opening at the prescribed hour——

THE HON. MR. SURPUT SINGH: In the meantime I would request the Government to inquire into this.

RATE OF INTEREST RECEIVED FOR MONIES ADVANCED TO H.M.G. AGAINST STERLING SECURITIES

316. THE HON. MR. SURPUT SINGH: Will Government state:

(*a*) The average rate of interest Government of India received for the amounts of money advanced by the Issue Department of the Reserve Bank of India to H. M. G. against sterling securities in the years 1942-43, 1943-44, 1944-45 and 1945-46?

(*b*) The total amount received in each of those years?

THE HON. MR. V. NARAHARI RAO: The investment of these funds is a matter within the discretion of the Reserve Bank and I regret I am not permitted to disclose the information asked for.

THE HON. PANDIT HIRDAY NATH KUNZRU. Can the Hon. Member tell us what is the average rate of interest received on these securities?

THE HON. MR. V. NARAHARI RAO : I am afraid I am not permitted to disclose the information. In any case I could not give it to you without notice.

THE HON. SIR N. GOPALASWAMI AYYANGAR : Are all these not short term securities ?

THE HON. MR. V. NARAHARI RAO : As I have said, the investment of these funds is within the discretion of the Reserve Bank. I have no details with me.

GOLD AND SILVER PRICES

317. THE HON. MR. G. S. MOTILAL : (*a*) What were the prices of gold and silver in Bombay and Calcutta markets before the last budget proposals for import duty on the metals became known ?

(*b*) What are the prices now in the said markets ?

(*c*) Has the disparity with world prices widened between then and now ?

(*d*) What steps do Government propose to minimise the disparity ?

(*e*) Do Government propose to buy gold and silver at world prices and sell them in India to highest tenderers?

THE HON. MR. V. NARAHARI RAO : (*a*) The prices of gold and silver in the Bombay and Calcutta markets on the 28th February 1946, *i. e.*, the date of the announcement of the budget proposals in the Assembly, were Rs. 85-4-0 per tola and Rs. 144-8-0 per 100 tolas respectively.

(*b*) The latest prices are Rs. 98 and Rs. 162-6-0 respectively.

(*c*) Yes.

(*d*) and (*e*). Government are carefully watching the situation, but, for obvious reasons, cannot disclose what action, if any, they are contemplating.

THE HON. MR. SUSIL KUMAR ROY CHOWDHURY : Does the Government intend to import more gold and silver ?

THE HON. MR. V. NARAHARI RAO : I regret I cannot disclose what the intentions of Government are in this matter. They are watching the situation and they will do whatever is necessary according to circumstances.

NUMBER OF MEN, WOMEN AND CHILDREN IN EACH RELIGION ACCORDING TO THE CENSUS

318. THE HON. RAJA CHARANJIT SINGH : Will Government lay on the table a statement, giving the number of men, women and children belonging to each of the different religions of India according to the last census report (*i*) living in British India and (*ii*) living in Indian States ?

THE HON. MR. A. E. PORTER : The attention of the Hon. Member is invited to Table XIII in Volume I of the Report of the Census of India, 1941, a copy of which is in the Library. The distribution of population by communities is there shown according to the 1941 Census. The note to the Table gives the reason for discontinuing the previous practice of giving figures by religion. Figures for children are not available.

SHORT NOTICE QUESTION AND ANSWER

PROSECUTION OF INDIANS IN HONGKONG, ETC.

319. THE HON. PANDIT HIRDAY NATH KUNZRU : (*a*) Are there any Indians who are being prosecuted in Hong Kong, Indo-China, Siam, Java, Sumatra, and the Andamans only for having collaborated with the Japanese during the war ? If so, what is their number in each case ?

(*b*) What arrangements have Government made for their defence ?

THE HON. DR. N. B. KHARE : (*a*) As regards the Andamans, the Hon. Member is referred to the Home Secretary's reply on the 3rd April 1946 to question No. 244 by the Hon. Mr. Thirumala Row.

As regards Hong Kong we understand that there are at present 3 Indians under detention, but we have no accurate information.

The information asked for in respect of other countries is not available, but inquiries will be made and information supplied when obtained.

(*b*) No need for any arrangements has been brought to Government's notice so far.

I may inform the House that one, Mr. Krishnan, in connection with the I. N. A. was arrested and there would have been a necessity for his defence but we have secured his release.

THE HON. MR. P. N. SAPRU : Through what channel will the Government make inquiries in Hong Kong, Indo-China, Siam, Java and Sumatra ? Are there any Agencies or any Trade Commissioners in these places ?

THE HON. DR. N. B. KHARE : We shall make inquiries.

THE HON. MR. P. N. SAPRU : Through whom ?

THE HON. DR. N. B. KHARE : Any source available to us.

THE HON. PANDIT HIRDAY NATH KUNZRU : What do Government propose to do for the defence of the three persons who are in detention ?

THE HON. DR. N. B. KHARE : As I have said, we have no accurate information As soon as we get it we shall do what is necessary.

STATEMENTS, ETC., LAID ON THE TABLE

THE HON. MR. S. LALL (Labour Secretary) : Sir, I lay on the table copies * of Summary of Proceedings of the Seventh Labour Conference held at New Delhi, on the 27th and 28th of November, 1945.

THE HON. MR. S. LALL (Labour Secretary) : Sir, I lay on the table copies* of the Summary of Proceedings of the 8th meeting of the Standing Labour Committee.

INFORMATION PROMISED IN REPLY TO QUESTION LAID ON THE TABLE

THE HON. SIR ERIC CONRAN-SMITH (War Transport Secretary) : Sir, I lay on the table the information promised in reply to question No. 277, asked on the 11th April, 1946.

Reply to parts (d), (f) and (g) of question No. 277

(*d*), (*f*) & (*g*).—In anticipation that it might be possible to wind up the Provincial Motor Transport Controller's office and to distribute the duties elsewhere the Assam Government gave notice to the staff of the closure of the office. Though not explicitly stated the usual one month's notice given to temporary employees was implied. The matter is however still under consideration of the Government of Assam the office continues to function.

INDUSTRIAL EMPLOYMENT (STANDING ORDERS) BILL

THE HON. MR. S. LALL (Labour Secretary): Sir, I move :—

"That the Bill to require employers in industrial establishments formally to define conditions of employment under them, as passed by the Legislative Assembly, be taken into consideration."

Sir, this Bill is a very simple measure. It does not seek to give any newrights to labour, but merely provides that existing conditions of employment shall be made clear beyond dispute or doubt. In this connection, Sir, I would invite attention to the concluding words in clause 4 which read ;"and it shall not be the function of the Certifying Officer or appellate authority to adjudicate upon the fairness or reasonableness of the provisions of any standing orders". Standing orders will

* Not printed. Copies placed in the Library.

have to deal with certain points which are mentioned in the Schedule to the Bill, and on these points the employer will have to give a clear indication of what the existing conditions of employment are. Whatever is contained in this statement which is registered will be evidence which cannot be contradicted. The object of these standing orders is to ensure that when there is a dispute there will be no doubt as to the terms on which the workers were employed at the time of dispute. In many cases there is difficulty in knowing exactly why a dispute has arisen, because the statement of the workers and the statement of the employer with regard to the terms and conditions of employment are at variance. We hope also that by making these terms quite clear and precise we shall be able to deal with other labour matters, such as health insurance. Sir, I move.

*THE HON. MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan) : I welcome this measure : but while doing so, I should like to ask just one or two questions. Will these standing orders which will regulate the conditions of service between the employer and the employees be made available by the employer to Government ? They will be shown to the Certifying Officer, I know. I know that is provided in clause 4. But it is also added "it shall not be the function of the Certifying Officer or appellate authority to adjudicate upon the fairness or reasonableness of the provisions of any standing orders". What I want to know is whether it will be part of the duty of the Certifying Officer, if he thinks that the conditions are not fair or reasonable, to contact the Labour Department of the Provincial Government and draw their attention to the unfair nature of the arrangement between the employers and the employees. I think it is necessary for us to go a little further. We have accepted that the terms of contract should be reduced to writing. I know according to section 12 oral evidence in contradiction of the standing orders will not be admissible. This is good so far as it goes. But if you are to work for a proper arbitration machinery, it strikes me that Government should have the power to intervene when it finds that the standing orders are not what they should be, that the contract between the employer and the employee is not what it should be : and for this reason it would seem desirable that the Labour Commissioner should be kept informed by the Certifying Officer of what the standing orders in each establishment are.

The second point on which I should like to be enlightened is whether the words "industrial establishment" include plantations also. As I read them, thay do not. I should be glad to be corrected. "Industrial establishment" means an industrial establishment as defined in clause (*ii*) of section 2 of the Payment of Wages Act, 1936. So far as the Payment of Wages Act is concerned, we know that it has not been applied to the plantations. It could be applied so far as the plantations are concerned, but I do not think it is in operation. Industrial establishment means "a factory as defined in clause (*j*) of section 2 of the Factories Act, 1934." This may apply to plantation factories, but it does not apply to plantations themselves. Then the expression means "a railway as defined in clause (4) of section 2 of the Indian Railways Act, 1890, or the establishment of a person who, for the purpose of fulfilling a contract with the owner of any industrial establishment, employs workmen". I think, Sir, it is desirable that industrial establishment should be comprehensive enough to include plantations. I would not look upon them as purely agricultural in nature. You get organised labour inpl antations and we know that conditions in some of the plantations are very unsatisfactory. If we want to regulate the relations of employers and labour in factories and other industrial establishments, I see no reason why organised labour should be exempt from the operation of this Bill so far as plantations are concerned.

That is all I have got to say on this Bill.

THE HON. MR. S. LALL : Sir, my Hon. friend Mr. Sapru has raised two points. The first is that if the standing orders which are sought to be registered with the Certifying Officer are not satisfactory will Government have the right to intervene ?

THE HON. MR. P. N. SAPRU : The Certifying Officer has not the right to intervene, but will Government have the right ?

THE HON. MR. S. LALL : This measure has to be read with the Trade Disputes Bill which is now under contemplation and which I hope will come before the House

* Not corrected by the Hon. Member.

[Mr. S. Lall.]

fairly soon. If there is an unsatisfactory condition of service, it will be for the Labour Officer to bring that to the notice of the management. But Government cannot intervene unless there is a demand from the workers. If conditions are unsatisfactory, the demand will come. Besides the Labour Officer is required to look to the interests of the workers and if something is unsatisfactory, it will be his duty to take it up with the management. The workers soon get to know that there is something unsatisfactory in the terms and conditions of employment. If they make a demand, then there is a dispute and when the dispute comes for conciliation or adjudication the fact that the terms and conditions are recorded will help in bringing about a settlement.

The second point that was raised was whether industrial establishments as defined in sub-clause (*e*) of clause 2 would include plantations. It would definitely cover plantation factories ; but it would not cover ordinary plantations. The question of plantation labour is engaging separate consideration, and one of the *ad hoc* surveys which were conducted by the Rege Committee dealt specifically with plantation labour. It would not be right to make this measure too wide in scope, as this will cause difficulties in administration. But I can assure my Hon. friend that the question of plantation labour is not being overlooked. It will be taken up separately and such provisions as are necessary will be made to secure reasonable conditions of employment.

The Motion was adopted.

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

Clauses 5, 6, 7 and 8 were added to the Bill.

Clauses 9, 10, 11 and 12 were added to the Bill.

Clauses 13, 14 and 15 were added to the Bill.

Clause 1 was added to the Bill.

The Schedule was added to the Bill.

The Title and Preamble were added to the Bill.

THE HON. MR. S. LALL : Sir, I move :—

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

The Motion was adopted.

MERCHANT SEAMEN (LITIGATION) BILL

THE HON. MR. Y. N. SUKHTHANKAR (Commerce Secretary) : Sir, I move :—

"That the Bill to provide for the special protection in respect of civil and revenue litigation of serving merchant seamen, as passed by the Legislative Assembly, be taken into consideration."

Sir, on this last day of the session I do not want to inflict a lengthy speech on the House and thereby detract from the merits of a wholly commendable Bill. The part played by our merchant seamen is too well known to all the sections of the House to need recapitulation in any detail on this occasion. Their valorous deeds will fill many a shining page in the history of the World War when it comes to be written. Suffice it to say, that they by their bravery and devotion to their duty maintained intact the lifeline of the world by carrying food and other essential cargo, and yet what is the position of these seamen when they are faced by revenue or civil litigation ? Unless this Bill becomes law, Sir, it is open to any greedy moneylender or an unscrupulous landlord to take advantage of their absence from this country and to ruin them financially or otherwise by involving them in such a litigation in a Court of law. That was exactly the position in which the Armed Forces were a little over two decades ago but no special protection has been conferred on them by the Indian Soldiers (Litigation) Act, 1925. Those provisions have, by subsequent amendments, covered the cases of Indian sailors in His Majesty's Service and it is our purpose now to extend similar protection to the merchant seamen. In doing this, Sir, I want the House to note that we are not carried away unduly by our sentiments in favour of merchant seamen and that we have taken a realistic

view. If Hon. Members would turn to clause 6 of the Bill they would find that that clause permits only one compulsory postponement of the suit and if any further postponements are necessary that will entirely depend on the discretion of the Courts. In the case of soldiers and sailors there is no limit to these compulsory postponements under certain conditions. The reason for this departure is that absence from the country is not only a normal incident in the life of a merchant seaman but it is at his option. It may, therefore, be possible for a seaman to get his suit postponed indefinitely for a practical purpose by signing on and leaving the country whenever the suit comes up for hearing.

Sir, this Bill has been prepared in consultation with all the Departments concerned. We have consulted Provincial Governments and minor Administrations. We have also consulted representatives of Indian Seamen's Unions and they have all warmly welcomed the Bill. I, therefore, trust that the House will lose no time in signifying its assent to the Bill.

Sir, I move.

*THE HON. MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan) : When I first read the Bill I confess my impulse was that the seamen had not been as fairly treated as the soldiers, but then when I read section 6 more carefully I came to the conclusion that my first apprehensions were not justified. The reason for that is this. It is true that the seamen will be able to claim one compulsory adjournment but the Court has been given discretion to give them more adjournments when and where necessary and there is no reason to apprehend that our Courts will not consider the case for adjournments on the merits and sympathetically.

With these words, I support this measure.

The Motion was adopted.

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

Clauses 5, 6 and 7 were added to the Bill.

Clauses 8, 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 HON. MR. Y. N. SUKTHANKAR : Sir, I move :—

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

The Motion was adopted.

MICA MINES LABOUR WELFARE FUND BILL

THE HON. MR. S. LALL (Labour Secretary) : Sir, I move :—

" That the Bill to constitute a fund for the financing of activities to promote the welfare of labour employed in the mica mining industry, as passed by the Legislative Assembly, be taken into consideration. "

It is, Sir, a fact which is, I think, not in dispute that conditions of labour in mica mines are not as good as they should be. There are many reasons for this. The mica mines are scattered and the mica industry is highly speculative. We are in this Bill following the precedent of the Coalminers Welfare Cess which was imposed two years ago. We are placing a small cess which up to 1947 will be 2½ per cent. and after that it may be raised to a maxiumu of 6¼ per cent. *ad valorem* duty on all exports of mica. I do not think that this small cess will hurt the industry and in any case it was fixed after discussion with the mica industry. To consider schemes

*Not corrected by the Hon. Member.

[Mr. S. Lall]

of welfare we are setting up advisory committees on the well-known tripartite principle which has been worked with such great success by the International Labour Organisation and which we have adopted in our own Labour Conference in India. I hope that this Bill will bring about a very substantial improvement in the conditions of employment of mica workers, which is long overdue.

Sir, I move.

*THE HON. MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan) : Sir, there are just one or two remarks that I should like to make about this Bill. I welcome it, but while doing so, I should like to know whether the report of the Labour Investigation Committee which investigated labour conditions in the mica mining areas is available to the public. I ask this question because I am ignorant of what happened here during the last two months. If my Hon. friend will be good enough to tell me whether this report is available, I should like to suggest that the report may be placed upon the table of the House.

The second suggestion that I have got to make is that the rules which will be made by the Central Government under clause 6 to carry into effect the purposes of the Act should be placed upon the table of the House so that members of the Central Legislature may be able to look into them without having to wade through the pages of the Official Gazette.

The third question on which I would seek enlightenment from the Hon. the Labour Secretary is the estimated amount of the revenue to be derived from the levy of the mica cess.

With these words, I support the Bill generally.

THE HON. MR. S. LALL : Sir, as regards the report on the mica mining industry submitted by the Labour Investigation Committee, I believe copies of the *ad hoc* surveys of various industries, including mica mines, have been sent to the Legislature for distribution to those members who may wish to have a copy. I find some copies of the reports lying in front of my Hon. friend Pandit Kunzru, and I think there are more copies with the Secretary. If my Hon. friend would like to have a copy—

THE HON. MR. P. N. SAPRU : I should very much like to have it.

THE HON. MR. S. LALL : If he will ask the Secretary, he will get a copy from him I am sorry that the number of copies, owing to shortage of paper is limited, and so we are unable to distribute copies as freely as we used to do pre-war.

The second point was about the rules to be framed by the Government of India. I really wonder if it is necessary to place them before the Legislature ?

THE HON. MR. P. N. SAPRU : No, I do not say that you should place them before the Legislature for ratification. All that I ask the Government to do is to place them on the table of the House. They will appear in the proceedings, and it will be easier for the members to refer to them. They may also be placed in the Library of the House.

THE HON. MR. S. LALL : In the Library, certainly. There was no objection on my part to placing them on the table of the House, but I was just wondering whether it was necessary. I will certainly see that the rules are made available in the Library of the House so that any member who may wish to refer to them can do so.

As regards the revenue, I believe that with the 2½ per cent. cess which we have got, we should get about 4 to 5 lakhs. That is the estimate for the first year

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 HON. MR. S. LALL : Sir, I move : —

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

The Motion was adopted.

THE HON. SIR MAHOMED USMAN (Leader of the House) : Sir, as there is no other business before the House, I request you to adjourn the House *sine die*.

MR. CHAIRMAN (the Hon. Mr. M. N. Dalal) : There being no other business during this session the Council is adjourned *sine die*.

*Not Corrected by the Hon. Member.

CS: 4. L-46

OFFICIAL REPORT

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TO THE

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